

سنة الامم

MONDAY SPORTS BASEBALL Page 19

INTERNATIONAL Herald Tribune

Table with exchange rates for various currencies including U.S., U.K., and others.

No. 34,285 21/93

Published With The New York Times and The Washington Post LONDON, MONDAY, MAY 24, 1993

ESTABLISHED 1887

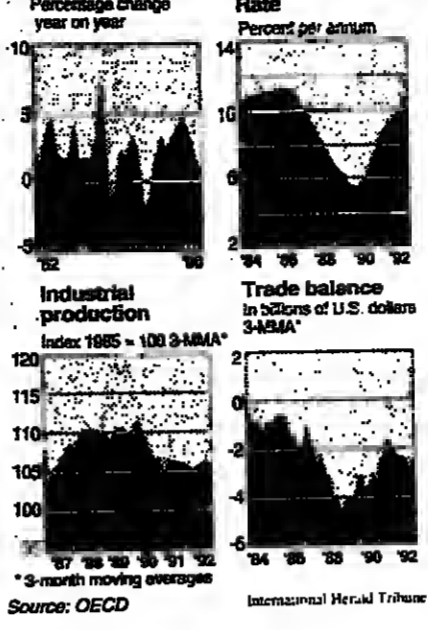
Will Clinton's Stumbling Ever End?

By Thomas L. Friedman... WASHINGTON — The White House is a strange place. Politicians who move in often seem to lose track of how the public feels.

NEWS ANALYSIS... During the campaign, Mr. Clinton was hailed, by friend and foe, as a rare, natural politician who would never lose the populist touch.

pressed the view that last week's White House performance was "scary," because of the way in which it crystallized everything that seems to be wrong: a loss of political judgment, a lack of strategic vision, and a White House that now seems much closer to Hollywood than a town called Hope.

Britain - This Time for Real?



Source: OECD International Herald Tribune

Bosnia's President Rejects Allied Plan U.S., Russia and Key Europe Nations Agree on Air Guard Over Safe Areas

SARAJEVO, Bosnia-Herzegovina — President Alija Izetbegovic of Bosnia said Sunday that a peace formula proposed by the United States and its allies was "totally unacceptable" and that his government would not participate in talks.

Mr. Karadzic, speaking from the Bosnian Serb stronghold of Pale, said that Serbs and Croats could help the Bosnian Muslims establish "a viable state" in central Bosnia.



A UN soldier from Bangladesh checking a Cambodian amputee with a metal detector outside a polling place in Phnom Penh on Sunday.

Undeterred, Cambodians Flock to Polls

By William Branigan... PHNOM PENH — Cambodians defied threats from Khmer Rouge guerrillas Sunday and turned out in large numbers to vote in the country's first free multiparty election in more than 40 years.

Cambodians flocked to polling stations hours before they opened at 8 a.m. and waited in the downpour of early monsoon rains.

constituent assembly, which then will have three months to write a constitution before becoming a national legislature. The legislature will then form the basis of a new government.

Recession's End Leaves Britain's Problems Intact

By Erik Ipsen... LONDON — With its business confidence, its exports, its currency and its economy in general at last on the rebound, Britain's economic star is on the rise. But it won't get far.

Starting Over... Restructuring the way we do business. Third in a series of articles.

turned out we were just skinnier and weaker," said General Lyons, chief economist at DKB International. "This time is no different."

For the Bosnian Serbs, The War Is All but History

By John F. Burns... PALE, Bosnia-Herzegovina — Bordered the "war road" that winds along the shoulder of Trebevic Mountain overlooking Sarajevo, Serbian nationalist gunners were outside their log cabins in the sunlight last week, playing poker on tables fashioned from ammunition boxes.

Serbian forces, confident of their overwhelming superiority, seemed nonchalant. After a month that began with fears of strikes from U.S. fighter-bombers based on aircraft carriers in the Adriatic, the Serbian nationalists appear to have concluded that the only force that ever threatened their hold on 70 percent of this former Yugoslav republic, NATO firepower, is not going to be aimed at them.

Cuba and Russia Close a New Oil Deal

HAVANA (AFP) — Cuba and Russia have agreed to reopen a major oil terminal and refinery here, the official press agency AIN said Sunday. Shumilko. The two sides

will start work in two months to make the Matanzas oil terminal east of Havana able to take super-tankers, and will reopen the Cienfuegos oil refinery, AIN said.

Great to Have Royals? Britons Debate

By John Darnton... LONDON — They did not look like a mob of Jacobins hell-bent on a revolution. There was not a Robespierre or a Danton in sight. No one was knitting.



Queen Elizabeth the Queen Mother, 92, leaving an Aberdeen hospital for Balmoral Castle on Sunday after an operation to remove a piece of fish that had lodged in her throat.

Files Reveal a Close Call for Roe v. Wade

By Benjamin Weiser and Bob Woodward... WASHINGTON — Four years ago, a draft of a Supreme Court majority opinion came so close to overturning the landmark abortion rights decision Roe v. Wade that three justices rights dissent that "Roe no longer survives," according to court documents among the papers of the late Justice Thurgood Marshall.

restrictions on women seeking abortions and sharply attacked the 1973 Roe decision, which established a woman's constitutional right to an abortion.

impact of the Webster decision. The court in the end upheld the Missouri restrictions but without any sweeping new constitutional ruling.

# Q&A: After Seles Stabbing, More Security on the Court

As the 1993 French Open tennis tournament gets under way in Paris, the tennis world is trying to come to grips with the recent stabbing attack on Monica Seles, the world's top female player, at a match in Hamburg. Patrice Clerc, the French Open director, spoke with Nick Stou of the International Herald Tribune about the security measures in place at Roland Garros Stadium and about plans for the future of the French Open now that the French Tennis Federation has won its battle with environmentalists to expand the playing grounds.

**Q.** What effect has the Seles incident had on the organization of the French Open this year?

**A.** Security is not something we just discovered because of this Monica Seles thing in Hamburg. We have always been very preoccupied with the security of the players, and of the crowd as well. And remember, in 1987 and 1988 there was the bombing in Paris, and we had a lot of

threats for political reasons. At that time, we started to reinforce security. And I must say that I was much more concerned by the political aspect than by what I would call the gesture of a madman, which is something different and something you can't avoid.

If a madman or madwoman wants to do a mad thing against anybody, anywhere, here at Roland Garros or at the hotel or at the restaurant or at the airport or anywhere, you can't prevent it.

I would be much more worried about the security here if there were a threat for political reasons.

**Q.** What specifically are you doing to guarantee players' safety?

**A.** Well, some of the security measures should not be revealed because the more discreet you are, the more efficient you are. But, first, we have reinforced the security at the gate, where the searching is going to be much stricter.

And we have also set up additional security measures for the players. First of all, they will always have an escort when they are walking to the courts from the locker room. And second, there will be a

security crew on each court. On Center Court, for example, there will be a minimum of four people, and even on the smallest court there will be at least one security guard in the players' area. They are going to watch all the movements around the players at all times.

There will also be an anonymous squad of security people within the stadium. They will be among the spectators and will be ready to act if needed, but they have always existed. What's really new is to have the security people at the players' chairs on each court.

**Q.** Have you had any input from the players themselves?

**A.** Not really. I think the players realize that life is risky nowadays. We haven't had any requests from the players because they have always realized that there was some security here.

I remember very well that, a few years ago, some people in the press complained that there were too many guards. But I know from the discussions I've had with players that they have always appreciated being under escort, being protected. But it's a pity for the young kids who can't

approach the stars any more for autographs.

**Q.** What about the expansion of Roland Garros Stadium? Where does it stand now?

**A.** Well, we have won our case. On Nov. 30 our supreme court, the Conseil d'Etat, gave us back our authorization. So we started work again in December, and we have had very pleasant weather during the winter. So we hope to be ready by next year.

**Q.** What will it mean for the tournament? How is the French Open going to change?

**A.** For us it's a revolution. The big change, I think, is that we'll have an additional seven practice courts on site. Now, the players can practice from about eight in the morning until 10:30, because we start playing at 11. If they want to practice after that they have to go to other clubs. Next year there will be seven courts available all day, just for practice.

For the crowd, we'll have an additional court with 10,000 seats. And for the organization, we'll have space. We'll have additional space for the players—a new

restaurant, a new players' lounge, a new baby-sitting service, a new medical center, new locker rooms.

**Q.** What effect has the recession had on the French Open?

**A.** It's tough to say. We've always been fully booked. The demand is always higher or than what we can offer ticketwise. Our computer does not memorize the number of ticket requests. We just memorize the number of tickets we issue. But from what we know, the demand is something like three times the number of tickets available on Center Court.

**Q.** But what about the sponsors?

**A.** There will always be big companies interested in tennis, because tennis is a worldwide sport. Tennis is a mixed sport. And tennis can be played from the youngest age to the oldest age. Which means there is an interest among companies worldwide. For some smaller companies, the investment was a little bit too heavy. But they have been replaced by bigger companies. I don't think we have suffered that much from the recession. The smaller tournaments suffer more.

## WORLD BRIEFS

### Mandela Says ANC Will Set Vote Date

NEWCASTLE, South Africa (Reuters) — Nelson Mandela said Sunday that the African National Congress would unilaterally announce by the end of the month a date for South Africa's first democratic election. "We have decided to announce before the end of May an exact day for elections before April next year," Mr. Mandela, the ANC president, told a rally in this mining town in Natal.

### Pérez Woes Imperil Caracas Oil Plan

CARACAS (WP) — The impeachment of President Carlos Andrés Pérez has put in question far-reaching petroleum development projects here, according to foreign and domestic oil industry sources. Before Mr. Pérez became entangled by an alleged misappropriation of \$17 million, he had quietly set in motion plans to reopen the nation's most treasured possession, oil, to foreign ownership. More than 70 percent of Venezuela's export revenues come from oil.

### 'No Choice,' Louisiana Man Testifies

BATON ROUGE, Louisiana (AP) — The man on trial for killing a Japanese exchange student has given his account on the witness stand, saying tearfully that his wife was terrified, that he felt threatened and that he felt he "had no other choice." The defendant, Rodney Peairs, 31, is charged with manslaughter in the death of 16-year-old Yoshi Hattori, who knocked on Mr. Peairs' door while looking for a Halloween party Oct. 17. If convicted, he faces up to 40 years in prison.

### Japan to Ask China for Military Data

TOKYO (Reuters) — Japan, concerned about China's recent military modernization and expansion, will ask Beijing to publish military information as part of an effort to create mutual confidence, according to a press report Sunday. The Yomiuri Shimbun quoted Foreign Ministry sources as saying that Foreign Minister Kōbun Muto was expected to make the request during talks Saturday in Tokyo with his Chinese counterpart, Qian Qichen. Mr. Qian, who will visit Japan from Saturday to Monday, is also to meet with Prime Minister Kiichi Miyazawa.

### Red Cross Official Accuses Israel

JERUSALEM (AFP) — The president of the International Committee of the Red Cross said Sunday that Israel had violated several principles of the Fourth Geneva Convention on occupied territories. After meeting with Prime Minister Yitzhak Rabin, Cornelia Sommaruga said Israel's sealing off of the West Bank and Gaza Strip since the end of March to counter attacks had amounted to "collective punishment." Mr. Rabin told the Red Cross official that "terrorists who resorted to the use of firearms against Israelis are responsible for the situation in the territories," the prime minister's office said.

## TRAVEL UPDATE

The high-speed TGV-Nord rail line began service Sunday from Paris to Lille. The TGV-Nord will link Paris and London in three hours next year, and Paris and Brussels in 95 in 1 hour 20 minutes. (AFP)

South Africa's veteran steam locomotives are leading an up-market tourist push into neighboring black states now that apartheid is being dismantled. Brenda, a steam engine built in 1939, rolled into the Maputo, Mozambique, station at the head of a train of restored teak-paneled coaches dating from a more elegant era. The 26-hour trip from Pretoria was the first across the border by a luxury passenger train since Mozambique gained independence from Portugal in 1975 and cut ties with South Africa. (Reuters)

The Japanese government, buffeted by a standstill by angry farmers, is set to start over on planning for its expansion of Tokyo's international airport at Narita. Opened in 1978, Narita's single runway is struggling to handle the growth of flights in and out of Japan. Since the decision to build it in 1966, four policemen and two protesters have died in clashes and more than 3,000 protesters have been arrested. (Reuters)

### This Week's Holidays

Banking and government offices will be closed or services curtailed in the following countries and their dependencies this week because of national and religious holidays:

**MONDAY:** Belize, Bulgaria, Canada, Colombia, Ecuador, Jamaica, Madagascar, Venezuela.

**TUESDAY:** Argentina, Bolivia, Chad, Jordan, Madagascar, Mali, Mauritania, Namibia, Zambia, Zimbabwe.

**WEDNESDAY:** Georgia, Israel.

**FRIDAY:** Armenia, Azerbaijan, Ethiopia.

**SATURDAY:** France, Monaco.

Sources: J.P. Morgan, Reuters.

## U.S. to Let More Pilots Pick Routes to Cut Costs

By Martin Tolchin  
New York Times Service

WASHINGTON — Bill Cotton, a United Airlines captain who flies Boeing 757 and 767 jetliners between Chicago and San Francisco, does not usually think much of flying over Dubuque, Iowa, as prescribed by the Federal Aviation Administration.

Instead, he often requests permission to fly the great circle route, a line that is the shortest distance between points on the globe. Sometimes, to take advantage of tail winds or avoid head winds, he flies south, over New Mexico, Utah and Nevada, or north over Wyoming and Idaho.

A growing number of pilots are charting their own courses rather than following the prescribed routes, thereby saving money, time and fuel through a program that the agency plans to expand.

Such flexibility is part of the Department of Transportation's effort to be what Transportation Secretary Federico F. Peña calls customer-friendly — in this case helping to serve the airlines — by enlisting the advice of commercial pilots and giving them as much leeway as possible.

Under the program, pilots enjoy the same route-setting privileges they were allowed before striking air traffic controllers were dismissed by President Ronald Reagan in 1981. The dismissals caused a shortage of controllers that led the aviation administration to force pilots to follow the agency's routes

in an effort to relieve the controllers' workloads.

Before the strike, "we had an informal program where we approved requests for different routes," said Richard Cox, the agency's deputy director of the Office of Air Traffic System Management.

The National Route Program allows pilots of flights of at least 1,500 nautical miles flown at 37,000 feet or above to request routes that they consider more direct and efficient than those required by the agency.

Only 75,000 of the more than 6 million flights annually meet the criteria. The agency will next look at flights of 1,001 to 1,500 miles — 375,000 a year — and then 500 to 1,000 miles, of which there are 2.3 million annually. Flights of less than 500 miles are considered too short to benefit from the program.

Began on an experimental basis in 1990, the program has steadily grown. Last year, the agency approved 22,440 of 33,000 pilot requests. In the first three months of 1993, the program increased by more than 50 percent, and the agency approved 6,465 of 9,416 requests compared with 3,904 of 6,234 requests during the first three months of 1992.

"We love it," said Jack Ryan, an official with the Air Transport Association, which represents the leading airlines. "We think this program is already saving \$9 million to \$10 million a year."

# Red Face for China: European Envoys Cancel Tibet Banquet

By Nicholas D. Kristof  
New York Times Service

BEIJING — A delegation of European ambassadors visiting Tibet abruptly canceled a banquet for their hosts and instead expressed serious concern over the arrests of Tibetans who had hoped to contact them during their stay.

The weeklong visit by the delegation, including eight ambassadors and five other senior diplomats, ended in disarray with the cancellation of the banquet. Instead, they held a working dinner on Saturday at which they expressed concern to their hosts over the arrest of at least three Tibetans and possibly dozens more.

"It was a difficult trip," one diplomat said on Sunday. "There was no reassuring information about the human-rights situation in Tibet."

For the delegation, which was hoping to learn about human rights in Tibet, the episode apparently offered unexpected insights. But for the Chinese authorities, who detained the Tibetan dissidents presumably in the

hope that the visit would go smoothly, the incident is most likely to be an embarrassment.

China allowed the delegation into Tibet in the hope that the visit would ease criticism in the West about political and religious repression there. Instead, the arrests are likely to increase the accusations that China denies basic freedoms to Tibetans.

Human-rights organizations in the West learned in the middle of the week that the arrests were taking place and began calling for the delegation to suspend its visit in protest. But Tibet, a mountainous region in the Himalayas north of India and Nepal, is so remote that no one could reach the diplomats until Friday.

The head of the delegation, William Fris-Moeller of Denmark, said that the diplomats had suspended part of their program until they received an explanation from the authorities. They received it with a vice governor of Tibet confirming that three Tibetans had been arrested.

The vice governor said that the three had long been

under suspicion for separatist activity and that the arrests had no connection with the diplomatic visit. One of the three, a woman, had already been released, the vice governor said.

The Tibet Information Network, an independent London-based service, said Saturday that it had reports from Tibet indicating that more than 100 people might have been detained.

**Lender Calls China's Reforms Irreversible**

President Jiang Zemin of China has appealed to President Bill Clinton to avert a clash over nagging differences, and declared that his country's reforms were "irreversible," Agence France-Press reported.

In a wide-ranging interview on CNN Saturday, Mr. Ziang also stressed that China was not seeking to become a regional military power. He rejected as "groundless" reports of missile sales abroad.

Mr. Ziang, who is both head of state and general secretary of the Communist Party, held out the possi-

bility that activists jailed after the 1989 Tiananmen Square massacre could be freed.

With Mr. Clinton considering linking renewal of Beijing's trade privileges to progress in human rights, trade and controlling the spread of arms, Mr. Ziang said he hoped relations between the two countries could be improved.

"The Chinese government attaches great importance to its relations with the United States," he said. "As for the differences between us, I think they can be settled through dialogue. When a mutual proves impossible, we can put them aside for the time being while seeking common ground."

Despite the strain in relations, Mr. Ziang said China would not go back on changes launched by Deng Xiaoping in 1978.

"We know we are engaged in an undertaking which has never been tried before," he said. "The policy of reform and opening up has gained the support of all the Chinese people. It is irreversible."



**BUTTON YOUR LIP** — Greenpeace activists protesting the passage through the Panama Canal of the British ship Pacific Pintail with Japanese nuclear waste to be reprocessed in Britain. Environmentalists say the canal is a favored route for shipping nuclear material.

## CAMBODIA: A Heavy Turnout

Continued from Page 1

rather than as a figurehead, his current status.

"I think my father will be able to talk to the Khmer Rouge and make them reasonable," Prince Ranariddh said after being cheered upon his arrival at a Phnom Penh polling station. "They should not feel excluded from the national community."

He added that the election "is a choice between democracy and dictatorship, between war and peace, between freedom and servitude."

After weeks of scattered Khmer Rouge attacks and threats to disrupt the election, the heavy turnout and lack of any large-scale guerrilla action buoyed UN officials and the Western backers of the 22,000-member, 51.7 billion UN peace-keeping mission in Cambodia.

"I would say that the Khmer Rouge failed today," the U.S. ambassador, Charles Twining, said. "This simply leaves the Khmer Rouge in the forest, and I hope they enjoy the forest."

Led by the dictator Pol Pot, the Khmer Rouge reduced Cambodia to ruin during nearly four years of bloody rule after seizing power in 1975. Vietnamese forces ousted the regime in January 1979 and installed a subservient government, led by defectors from the Khmer Rouge. After 12 years of guerrilla war, the Khmer Rouge signed the 1991 peace agreement but has since gone back on it. Now it is reported to be trying to rebuild its forces in Cambodia's jungles.

According to a UN spokesman, Eric Falt, two voters were slightly wounded when two artillery rounds believed to have been fired by Khmer Rouge forces landed near a polling station at Poipet, a town near the Thai border. Two mortar rounds also fell near a polling station at Mongkol Borei, south of the western town of Sisophon, but no injuries were reported.

In the southern province of Kampot, Mr. Falt said, Khmer Rouge guerrillas invaded a polling place and shot up ballot boxes, but voting resumed after half an hour. He called the attacks "minor incidents."

Cambodians in Kampot, however, said the Khmer Rouge activity in the province was more serious. Guerrillas from the nearby Elephant Mountains captured a polling station at Chum Kiri, stole ballot boxes and a UN vehicle and detained at least two UN peacekeepers from the French Foreign Legion, witnesses told reporters.

Armed with B-40 rockets and mortars, the Khmer Rouge turned away peasants who had trekked long distances to vote at Chum Kiri and set fire to nearby schools as a warning. The steady clump of mortar fire could be heard in the area throughout the morning.

Nevertheless, many voters cast their ballots at other polling stations in the area.

At Veal Pong, a village eight kilometers west of the former royal capital of Oudong in Kompong Speu Province, more than 1,000 Cambodians began gathering at dawn to vote at a secondary school despite Khmer Rouge activity in the area. About 13 kilometers to the southwest, Khmer Rouge guerrillas in April killed three Bulgarian peacekeepers who had invited them to dinner at the Bulgarians' camp.

Peasants, some wearing black pajamas and many of them barefoot, arrived by bicycle or horse-drawn cart and on foot to cast their ballots. They jostled excitedly as an Irish police officer attached to the UN contingent checked them with a metal detector.

"Although there are dangers from the Khmer Rouge, the people want to vote," said Hum Sim Khan, the presiding officer of the polling station. "They're only afraid during the night."

At a Buddhist temple complex in Oudong that had been turned into a polling station for 6,000 voters, Henri Valot, a French electoral supervisor, said his main concern was keeping the process moving, as lines dissolved into disorderly scums.

**DUTY FREE ADVISORY**

Life's special meetings.

Nothing matches the delights of coming home after a long trip away. The warm welcome of special friends... of familiar voices... when you know these are the spoils of success.

And the pleasure of being prepared... with a touching gift... the joy that follows... from Abu Dhabi Duty Free.

Discover the treasures of the world's greatest shopping experience... before your most cherished meetings.

مطار ابوظبي... السوق الحرة  
**Abu Dhabi**  
Airport Duty Free

**BREITLING**  
1884  
INSTRUMENTS FOR PROFESSIONALS

**CHRONOMAT**  
Close cooperation with pilots and aviation experts enables Breitling to continue improving its chronograph designs all the time. The Chronomat features a self-winding mechanical movement, a rotating bezel and a screw-down crown. This instrument is water-resistant down to 100 meters.

**BREITLING MONTRES SA**  
P.O. Box 1132  
SWITZERLAND - 2540 GRENCHEN  
Tel.: 65/51 11 31  
Fax: 65/53 10 09

**DEATH NOTICE**

**John POCHNA**,  
international lawyer, died May 19,  
1993, in Deauville, France. Funeral  
Service will be held on May 25,  
at 11:30 am, at the cemetery of  
Deauville "Le Côteau".

# STATESIDE / FINAL DECISIONS

## ★ POLITICAL NOTES ★

### Contempt Citation in Computer Files Case

WASHINGTON — A federal judge cited the White House and the archivists of the United States for contempt of court for failing to carry out his order to preserve the computer records of the Bush and Clinton administrations.

Judge Charles R. Richey of U.S. District Court in Washington said Bush administration officials had damaged some of the backup computer tapes of the National Security Council that he had ordered preserved. He also ruled that the Clinton administration had failed to write proper guidelines to preserve new White House computer records adequately.

In the final weeks of the Bush presidency, Judge Richey had found that the government had violated the Federal Records Act, which requires the preservation of many records.

Twice he ordered the White House and archivists to protect the tapes and to write new guidelines to preserve future computer records. In an effort to maintain control over its own computer records, the Clinton administration has defended the actions of the Bush officials.

Judge Richey said that if the administration failed to take steps by June 21 to preserve the new and older computer files, he would be imposing heavy fines on the defendants named in a suit seeking protection of official records. The defendants are the archivists and the executive office of the president, the collection of agencies and organizations that are directly responsible to President Bill Clinton, such as the National Security Council and the Office of Management and Budget. (NYT)

### Clinton's Nominee Gets the Bork Treatment

WASHINGTON — C. Lani Guinier, President Clinton's choice to head the Justice Department's civil rights division, is quickly becoming the Robert Bork of the left.

A voting-rights attorney who once battled to give blacks a chance to win elections in the South, she has spent the past four years as a law professor at the University of Pennsylvania, writing about strategies for ensuring political fairness and "empowerment" for minorities.

But like Judge Bork, her many writings on touchy subjects have given her critics the words with which to brand her an extremist. She is a "quota queen" who would bring "breath-takingly radical" views to the government, says Clint Bolick, a former Justice Department attorney and aide to the Reagan administration's civil rights chief, William Bradford Huie.

"She has a serious problem with American democracy," he adds. By his analysis, Ms. Guinier proposes to scrap the cherished principle of majority rule in favor of a "racial spoils system."

These assertions have sent Democrats scurrying for cover and have put Ms. Guinier's nomination in trouble just three weeks after it was announced. Mr. Bolick and other conservatives readily admit they are following a script written by liberal activists in the 1980s. On the day President Ronald Reagan nominated Judge Bork to the Supreme Court, liberals led by Senator Edward M. Kennedy, Democrat of Massachusetts, lambasted the onetime conservative law professor as anti-civil rights, anti-abortion, anti-privacy and anti-free speech. Judge Bork never recovered from the assault, and his nomination was defeated in the Senate.

Now, Ms. Guinier, a Yale Law School classmate and longtime friend of Bill and Hillary Rodham Clinton, could be headed for a similar fate. (LAT)

### Once Again, It's Springtime for Republicans

WASHINGTON — Suddenly there is new life in the Republican Party. Six months after the Democrats kicked the stuffing out of them and took away the White House, Republicans at every level are caught up in a burst of brainstorming. They are thrashing out disagreements over abortion and other old sore points and striving to draft fresh approaches to the conundrums of a new political age.

In part those efforts are being driven by President Clinton's final start in the White House and what Republicans contend is his tilt toward his party's traditional liberalism, despite his protestations that he is a "new kind of Democrat." His performance has given them hope that their time wading in the political wilderness may not last as long as they had feared. (LAT)

### Quote/Unquote

Haley Barbour, the Republican national chairman: "Bill Clinton is a godsend. I'm not being facetious when I say that he has done more to unify us than anything I have done." (LAT)

### Away From Politics

- Peter V. Ueberroth has resigned as head of Rebuild L.A. a year after his appointment. His efforts to attract jobs and economic hope to troubled Los Angeles neighborhoods after the riots last spring came under attack. There has not been enough corporate support to create meaningful jobs, critics say.
- Denny's restaurant chain, which pledged to eliminate discrimination against black customers in a court agreement in California with the U.S. Justice Department last month, is in trouble with the government again. U.S. officials said a Denny's in Annapolis, Maryland, denied service to six blacks, all Secret Service agents, on the same day it catered into the court settlement on April 1.
- The Boy Scouts do not have to accept boys who refuse to take the oath that includes "Duty to God," a U.S. appeals court in Chicago has ruled. The court rejected an argument that the organization is subject to civil rights laws because it offers public accommodation.
- John Gotti, Mafia boss serving a life sentence, and Paul Castellano, the mob kingpin killed in 1985 reportedly at Mr. Gotti's order, secretly sought to profit from heroin despite their repeated condemnations of drug dealing. U.S. prosecutors have told a judge in U.S. District Court in Brooklyn they were outlining what they said would be forthcoming testimony of Salvatore (Sammy Bull) Gravano, in a drug trial of Pasquale Conte.
- Two businesses were fined a total of \$6 million and ordered to pay for a program to help protect children from lead poisoning on convictions for illegally dumping 30,000 tons of lead-tainted waste. The pair, former executives of a ceramic tile company, were told by U.S. judge in Dallas that they must supervise the program, which will cost them \$6 million on top of the fines.
- Television executives, under pressure from Congress to reduce violence in programs seen by children, promoting a Senate hearing to work harder to reduce depictions of mayhem, which often are imitated by young viewers. (NYT, LAT, AP)

# Clinton Goes for an Immediate, All-Out Health Plan

By Dana Priest  
Washington Post Service

WASHINGTON — In the first of a series of final decisions on the shape of his national health-care plan, President Bill Clinton has decided that every American should be guaranteed a comprehensive package of health benefits that includes all standard medical procedures and emphasizes primary and preventive care.

In doing so, Mr. Clinton rejected an option, favored by many of his top economic advisers, that would have provided a much more limited initial package that would grow over time to include a more complete set of benefits.

Treasury Secretary Lloyd Bentsen and the Office of Management and Budget had argued for that option in order to minimize the initial cost to businesses that

do not now pay for their employees' health coverage but would be required to do so under the new system.

But Mr. Clinton, according to sources, worried that the phased-in approach would create a two-tiered system in which some people, most likely those who worked for large companies, would get adequate benefits while others had to make do with a substandard package for the time being.

The specific contents of the standard benefit package are still to be worked out. But it is expected to resemble the coverage customarily available through most health maintenance organizations. Those policies typically offer unlimited hospital and physician services, in- and outpatient hospital care, medically necessary emergency care, well-child care, periodic checkups, family planning and certain pediatric eye and ear examinations.

The administration has previously said it also intends to include some mental health and long-term care as well as some pharmaceutical coverage.

The less inclusive option would have placed limits on the number of doctor and hospital visits. It would also have included high out-of-pocket co-payments and deductibles on the part of the insured person, and limited or eliminated mental-health and long-term care. Participants described the two plans as tens of billions of dollars apart.

Under Mr. Clinton's proposal, all local health plans — made up of hospitals, doctors and other health care providers — would have to sell all consumers the standard benefit package for a single fixed annual fee. Health plans would compete for business based on price, quality and the extra services they could offer.

People would be allowed to buy supplementary coverage.

The ultimate cost of the administration plan hinges on the cost of the standard benefit package. Employers would be required to pay a percentage of their employees' health-policy costs, which would vary depending on the range of benefits. And the cost to the government of insuring poor and unemployed people would rise as the cost of the basic package rose.

Mr. Clinton made the decision after a three-hour meeting with top health, economic and political advisers.

His direct role in the process marks a turning point in the development of his national health policy. He is slated to continue meetings on the subject this weekend and to present a final plan to the public as early as mid-June.



President Bill Clinton laughing as he was presented an honorary degree at New Hampshire Technical College.

# President Taking Offensive Against Democratic Foes

By Richard L. Berke  
New York Times Service

STRAITHAM, New Hampshire — Striking back at Democratic senators who have challenged his budget and tax package, President Bill Clinton has accused them of protecting wealthy special interests and buckling under in "the big oil lobby."

Mr. Clinton's unusually sharp remarks against members of his own party, made in a radio address taped before he traveled to New Hampshire Technical College to deliver his first commencement address as president, were aimed at the centrist Democrats who have bolted from the party ranks to try to revise the president's budget and tax package.

Though he did not cite any senators by name, his comments appeared directed mostly at Senator David L. Boren of Oklahoma, a state dominated by the oil industry. Mr. Boren has put forward a compromise that would eliminate the energy tax proposed by Mr. Clinton and make up the lost revenue by severely restricting the growth of welfare programs and health benefits to the poor and elderly.

"It's simply wrong for a powerful interest to try and opt out of this program by asking the elderly and the working poor to contribute more so they can contribute less," Mr. Clinton said in his weekly radio address on Saturday. "Making middle America pay more may be business as usual in Washington, but to the rest of the nation it must be unjust, unfair and unacceptable."

Declaring that he would opt back down, Mr. Clinton added: "I regret that otherwise good and responsible legislators would even consider this proposal. But I will fight it."

The president's decision to step up his attack came as Mr. Boren, a moderate who has been one of his allies on Capitol Hill, made clear that he was not reluctant to take on Mr. Clinton and press him to accept a bipartisan compromise.

"I think that if this president were to get his wish of passing this budget right now, exactly like it is," Mr. Boren said, "it would be the surest formula for the destruction of the Democratic Party and any chance he has for re-election that I have ever seen."

Other Democrats who have endorsed Mr. Boren's compromise are Senators J. Bennett Johnston of Louisiana and Bob Kerrey and J. James Exon, both of Nebraska.

Mr. Johnston, who is chairman of the Natural Resources Committee, forcefully restated his opposition to the energy tax on Sunday.

He did not use the commencement speech at the two-year state-supported institution to renew his attacks; instead, he spoke in milder terms about the need for an energy tax and the importance of his economic plan.

Speaking to the 176 graduates and their friends and families under a tent at the school's 48th commencement, Mr. Clinton recalled the financially strapped people he met while trekking through New Hampshire.

"Every day when I get up in the White House and go to the Oval Office to work," he told the students, "I think about the people I met here and people like them all over America whose quiet courage and determination inspires me to keep fighting to restore the middle class and the fundamental strength and purpose of this country."

# Gay Front Breaks Ranks on Military Issue

By Jeffrey Schmalz  
New York Times Service

After months of urging Congress and the Clinton administration to lift the ban on homosexuals in the military completely, leading gay and lesbian figures have split in a disagreement over tactics and the likelihood of success.

"The schism, many homosexual say, jeopardizes the outcome of the military issue. And, landing amid a fierce battle for their civil rights, it raises a fundamental question: Who speaks for gay and lesbian Americans?"

"What you're seeing is gay politics struggling with itself to come of age," said Tanya Domit, director of the Military Freedom Initiative of the National Gay and Lesbian Task Force. "For the first time, we have an administration with a more positive attitude toward us, and we don't know the best ways to relate to that, whether from the inside or the outside." As for the military issue, she said, "we're sending mixed messages to our constituents."

Debate over how to try to lift the military ban has brewed for weeks, with some arguing that compromise was the only hope of success and others saying it was too soon for such talk.

Last week the dispute broke into the open. Representative Barney Frank, Democrat of Massachusetts, who is openly gay, called a news conference and proposed a compromise. Like a plan put forth by Senator Sam Nunn, Democrat of Georgia, who heads the Senate Armed Services Committee, Mr. Frank's plan would end the practice of asking recruits about their sexual identity and of ferreting out who is homosexual. It would also prohibit homosexuals from being open about their sexual orientation while on duty.

But unlike Mr. Nunn's proposal, the Frank plan would allow homosexuals to be open about their sexual identities off base and would prohibit their removal from the military for sexual or social activity off base.

"The issue was lost," Mr. Frank said when asked in an interview why he had offered the compromise. "We were outbid."

Mr. Frank argued that compromise was better than defeat, which he said had become inevitable, with the military ban being enacted into law rather than existing only by administrative order, as it has until now.

"The one other openly gay member of Congress, Gerry-E. Studds, also a Massachusetts Democrat, took issue with that. 'Of course it's not lost,' he said, implying that Mr. Frank was giving up too much too soon. 'At this point, talk of compromise is better done quietly than loudly.'

But others agreed with Mr. Frank. "Frank was being realistic," said Representative Bill Richardson, Democrat of New Mexico, who is the chief deputy whip in the House.

# U.S. Wants to Isolate Both Iran and Iraq

By R. Jeffrey Smith and Daniel Williams  
Washington Post Service

WASHINGTON — The Clinton administration has concluded that the leadership of Iran and Iraq will remain hostile to the United States for the foreseeable future and that new steps should be taken to isolate both nations, senior administration officials have disclosed.

The administration's policy, which officials have dubbed "a strategy of dual containment," emerged from a comprehensive review ordered by President Bill Clinton, officials said. It also reflects advice given by Middle East leaders to Secretary of State Warren M. Christopher during his visit to the region in February.

Officials said the policy departs from the past U.S. practice of building up one of the countries in hopes of balancing the other's military and political influence. They said the new objective was to ensure that both countries remain

equally weak for an indefinite period.

The principal approach is to ensure both countries in a tight web of international trade restrictions meant to deprive them of the income and technology they need to develop new armaments, pursue terrorism, foment revolutions or intimidate their neighbors.

Officials acknowledged that Iraq, which is already subject to a global trade embargo imposed by the United Nations, is a much more vulnerable target than Iran.

But the administration also plans to step up pressure on allies to curtail trade with Tehran, arguing not only that the income supports Iranian terrorism and foreign subversion, but that Iran's steadily worsening economy and growing debt make it a bad investment.

The new policy stems from "a clearheaded assessment of the antagonism that both regimes harbor toward the U.S. and its allies in the region," said Martin S. Indyk, senior director for Near East and

South Asian affairs at the National Security Council, in a speech last week to the Washington Institute for Near East Policy.

Other officials said the administration's decision to treat both countries alike also stemmed from fresh signs that their long-standing hostility is abating and that they are beginning to work together to thwart U.S. aims.

Iraq, for example, is continuing to import truckloads of refined Iraqi oil despite U.S. protests and evidently recently obtained a substantial shipment of Iraqi steel, violating the United Nations trade embargo.

American officials also noted that Iran on Wednesday repatriated 200 Iraqi soldiers who had fled to its territory during the Gulf War and said it was interested in future exchanges of prisoners captured during the 1980-1988 Iran-Iraq war. Several sources said the two countries had started discussing a halt in their efforts to subvert each other and might even wind up turning over rebel leaders based in each other's capitals.

Moreover, despite having raised the possibility last winter of improved relations with the new administration, both countries have further antagonized Washington recently, officials said.

For example, Iraqi anti-aircraft batteries on three separate occasions last week fired at U.S. planes patrolling a ban on Iraqi aircraft flights in the country's southern region, possibly hinting at a new campaign of provocation. Iraq has also recently stiffened its resistance to UN inspections of its capability to produce weapons of mass destruction, diplomats said.

Iraq, which the Clinton administration has branded a nation that supports international terrorism, has actually been unable to carry out any significant terrorist acts outside its own borders since the Gulf War, officials said.

But the White House is now awaiting the final report of an FBI and CIA investigation into Kuwaiti reports of Iraqi involvement in planning for the assassination of former President George Bush during his visit to Kuwait last month.

Iraq, which Mr. Christopher in March labeled a "principal" sponsor of terrorism, is blamed by government experts for at least three slayings this spring.

One of those slain was Mohammed Hussein Nagdi, a former Iranian ambassador to Italy and Mujahidin sympathizer. Another was a Turkish journalist, Ugur Mumcu, and the third was a prominent Jewish businessman in Istanbul whose brother worked for Israel's Mossad intelligence agency.

A State Department official added that these and other recent Iranian actions have "totally discredited" a hypothesis widespread in 1991 that the release of U.S. hostages by Iranian-backed groups signaled the emergence of a more moderate leadership in Tehran.

## AMERICAN TOPICS

### Academy Merger Brings End To an Ancient Feud of Egos

The American Academy of Arts and Letters has merged with its parent organization, the National Institute of Arts and Letters. As The New York Times put it, the 50 members of the academy, each of whom has a carved chair at the academy's headquarters in Manhattan, "decided after much soul searching and ego checking that they are no different than the 200 members of the parent institute, so 'they have agreed to merge the two bodies under the academy's name.'

The merger was announced last week at the academy's 53d annual induction and awards ceremony. Arthur Schlesinger Jr., the historian, was the keynote speaker, and he used the occasion to note that and he used the occasion to note that William James, the pioneer psychologist, declined membership in the academy on the ground that he would never join anything that included his younger brother Henry, the novelist.

The long effort to merge the institute and the academy, Mr. Schlesinger said, was never a "tranquil" process. With some

of the most renowned writers, critics, artists and historians fighting over who should become an academy member.

The author and economist John Kenneth Galbraith, while saying he approved of the change, lamented that members no longer would have anything to fight over.

### Short Takes

• Plovers "stone" planes that can stay aloft observing weather patterns for three days at a time will be launched next year by the National Aeronautics and Space Administration. At \$1.5 million each, controlled by programmed computers, they will cruise at 65,000 feet (about 20,000 meters), well above most weather systems. They could improve hurricane warnings and help solve mysteries about climate change and global warming, the National Geographic Society reports.

• Accidental deaths in the United States dropped last year to 54,000, the lowest absolute number since 1922, although the population has more than doubled in 70 years. The National Safety Council attributes the decline to concerted campaigns to prevent injury, especially traffic injury, and to the means less driving and economy, which cut work. Motor vehicle deaths decreased 8 percent, from 43,500 in

1991 to 40,100 in 1992. Accidents dropped to the fifth leading cause of death, after having been fourth for years. The four leading causes now are heart disease, cancer, stroke and chronic obstructive pulmonary diseases. The council is a private, nonprofit public service organization.

• Heavy winter precipitation has significantly increased water supplies in the western United States, breaking a six-year drought, the Agriculture Department says. It noted that "irrigated agriculture continues to dominate the use of water in the United States, accounting for 80 percent of total consumption. Surface water provides 63 percent of irrigation needs and groundwater 37 percent."

• "Although the gastronomic differences between Europe and America are shrinking rapidly," David Rosengarten reports in The New York Times, "one great gulf remains: inwards. Liver and sweetbreads (usually the thymus gland of young animals) may have gained a measure of acceptance in America, but more exotic organ meats like brains, kidneys and tripe (stomach tissue), much prized throughout Europe, have not made inroads here. Indeed, U.S. consumption of organ meats has declined in the past two decades, from 11 pounds (about 5 kilograms) per person in 1967 to 8.1 pounds in 1988." Why this

disaste? There is no clear-cut answer, Mr. Rosengarten surmises: such possible reasons as organ meats being high in cholesterol, more associated with rural than urban life, with financial hardship than economic well-being; some people may even imagine that organ meats are low-class.

• Among the rules for golf in a new book published by Doubleday, "Mulligan's Laws," by Henry Beard — who admits that he once shot his weight — are the following:

- If you really want to get better at golf, go back and take it up at a much earlier age.
- The less skilled the player, the more likely he is to share his ideas about the golf swing.
- A golf match is a test of your skill against your opponent's luck.
- A ball you can see in the rough 50 yards away is not yours.
- A ball hit to the wrong green will always land two feet (60 centimeters) from the cup.
- Good sportsmanship is as essential to the game of golf as good penmanship is to the sport of stock car racing.

Arthur Higbee

The price of a spacious new suite at the Amari Boulevard Bangkok will be music to your ears

A moderately priced first class businessman's hotel.

**AMARI**  
BOULEVARD HOTEL

2 Soi 5, Sukhumvit Road, Bangkok 10110, Thailand.  
Tel: (662)255-2930, 255-2940 Telex: TH 84033 AMARIBV Fax: (662)255-2950

Amari Hotels and Resorts • Bangkok • Phuket • Chiang Mai • Pattaya • Seoul • Phuket

INTERNATIONAL **Herald Tribune**

LIVING IN THE U.S.?  
NOW PRINTED IN  
NEW YORK  
FOR SAME DAY  
DELIVERY IN KEY CITIES  
TO SUBSCRIBE, CALL  
**1-800-882-2884**  
(IN NEW YORK, CALL 212-752-3890)

UNIVERSITY DEGREE  
BACHELORS • MASTERS • DOCTORATE

For Work, Life and Academic  
Experiences • No Classroom  
Attendance Required  
(310) 471-0306  
FAX: (310) 471-6456

Call or write for information  
or send detailed resume for free evaluation

Pacific Western University  
500 N. Sunset Blvd. Dept. 27  
Los Angeles, CA 90095



السنة الثامنة

ymbol

# Purging Mostar of Muslims

## Croats Say Aim Is to Offset Refugee Arrivals

Compiled by Our Staff From Dispatches  
**MOSTAR, Bosnia-Herzegovina** — Bosnian Croat troops are evicting as many as 200 Muslims a day from Mostar in a campaign to purge the city of 10,000 refugees who have arrived in the last year, United Nations officials said Sunday.

The officials said that 100 to 200 Muslims a day who had been forced from homes in parts of Mostar controlled by Croat forces had been jammed into a squalid makeshift shelter in a former school or were hiding in friends' apartments or in abandoned buildings.

An official of a UN humanitarian program said new rules governing eligibility for refugee status, imposed by the Croatian military command April 15, were aimed at legalizing the expulsion of about 10,000 Muslims.

The rules set by the so-called Croatian Community of Herceg-Bosna, a ministe proclaimed by the Bosnian Croat political

leader Mate Boban in southwestern Bosnia, withhold refugee status from anyone who lived in a derelict apartment.

Spokesmen for the Croatian group say the rules were meant to counter an influx of about 15,000 Muslims into Mostar from other parts of Bosnia in the past year, which they said had upset the region's delicate ethnic balance.

Muslims hold the east bank of the Neretva river that runs through Mostar, and Croats hold the west bank. Previously, the two groups had lived for centuries in mixed communities on both sides.

Meanwhile, Serbs eased their pounding of Sarajevo Sunday, but Bosnian radio reported a huge artillery attack to the north.

"Thousands" of shells and mortar rounds fired by Serbs were hitting Maglaj, a town near an important Serbian arms depot, the broadcast said. The radio also said that fighting, in defiance of a two-week-old cease-fire, continued near the Serbian-held town of Brcko,

close to the northern corridor linking Bosnian Serbs to Serbia.

But Commander Barry Frewer, a UN spokesman in Sarajevo, said monitors near that front had reported only sporadic clashes. He said there was no word of major fighting anywhere in the Bosnia.

On Saturday, Bosnian Serbs unleashed their most intense attack in weeks, in defiance of a peace pledge by their leaders. Nine people were reported killed in Sarajevo and more than 100 wounded, including Bosnia's deputy prime minister, Zlatko Lagumdžija, who underwent surgery Saturday for shrapnel wounds to his stomach and legs.

In another part of the former Yugoslavia, the Tanjug press agency reported that two policemen had been killed and five wounded in an ambush in Kosovo Province, a center of tension between an Albanian majority and the Serbs governing them.

(Reuters, AP)



Bosnian Croats praying Sunday at an outdoor Mass near Vitez.

# Collapse of Angolan Talks: U.S. Has Lost Its Leverage

By Paul Taylor

Washington Post Service

**JOHANNESBURG** — The Angolan tragedy has deepened as talks to end the renewed civil war collapsed and the nation most likely to force a peace — the United States — may have lost some of its leverage.

United Nations-sponsored peace talks in Abidjan, Ivory Coast, between the Angolan government and the UNITA rebel movement broke off Friday over a

dispute about the mechanics of a cease-fire. There is no indication when or whether they will resume.

Two days earlier, the Clinton administration announced that it was formally recognizing the Angolan government. In taking the long-awaited step, President Bill Clinton praised the government for accepting the Abidjan peace plan drafted by the United States, Russia and Portugal and noted that UNITA — Jonas Savimbi's National Union for the Total Independence of Angola — had rejected it.

Mr. Clinton's move has defused mounting criticism at home and abroad that he had inherited the Bush administration's inclination to be soft on Mr. Savimbi, a Cold War client of the United States who discredited himself in October when he claimed Angola's first democratic election was stolen from him.

Civil war, which raged from the time of independence from Portugal in 1975 until a peace pact was signed in 1991, resumed in last order.

But however warranted in terms of support for democratic values, recognition of Angola's formerly Marxist government may have weakened the U.S. hand as a potential peacemaker.

As Mr. Clinton himself noted, his administration had spent four months holding out the possibility of recognition as a carrot for the government and a stick against UNITA in the hope of coaxing both toward peace. By recognizing the government, he has tacitly acknowledged that the play did not work.

Some analysts say they now fear that the United States and the rest of the world will abandon Angola

— and that the fighting, which had been relatively restrained during the six weeks of talks in Abidjan, will flare anew.

The United Nations special representative Margaret Anstee predicted that the fighting will "probably intensify" and that the main victims will be Angolan civilians, 2 million of whom — about one-fifth of the population — have already been displaced and face food shortages.

In a worst-case scenario, the Angolan government could mount a major military offensive to retake Huambo, the central provincial capital that UNITA captured in March after a fierce two-month battle in which it is estimated that 12,000 people were killed.

The case for recognition was that it was a step the United States had pledged to take after free and fair elections and that failure to do so mocked its commitment to democracy.

The Popular Movement for the Liberation of Angola won the most seats in the legislative election last September, and its leader, José Eduardo dos Santos, outpolled Mr. Savimbi in the presidential race.

Some critics argue that the Bush administration's refusal to recognize the government immediately after the elections emboldened UNITA to return to war. The dynamics in Angola at the time, however, seemed driven by internal factors.

"The best case for recognizing now is that there is no evidence that holding back has moderated Savimbi's behavior," said Gerald Bender, an Angola analyst at the University of Southern California.

The harder question is what recognition will do to the prospects for peace. Some government hard-liners coveted the legitimacy conferred by U.S. recognition because they considered it crucial to their strategy of buying more weapons and achieving a military victory.

The United States has pledged not to supply weapons to either side and to discourage other nations from doing so. Mr. Clinton has said that recognition will not affect that commitment.

But the 1991 accord has not prevented the Angolan government from purchasing weapons through middlemen at a furious pace.

### NEWS ANALYSIS

## ALLIES: Bosnia's President Rejects Peace Formula

(Continued from page 1)

rather a series of modest steps on which the parties managed to agree. It is not aimed at rolling back the territorial gains of the Serbs, who now control 70 percent of Bosnia-Herzegovina.

The protection of the safe areas will require the deployment of several thousand more UN troops in Bosnia in addition to the 9,500 who are already there. France, Britain, Canada, Spain already have contributed troops, and Russia now plans to do so, the ministers said.

The acceptance of the creation of safe areas is a turnabout in policy for the Clinton administration. During his tour of Europe only two weeks ago, Mr. Christopher said that such areas would essentially put the Muslims into ethnic ghettos and thus reward "ethnic cleansing" by Serbian nationalists.

Mr. Christopher said Saturday that he had not changed his mind about "the pluses and the minuses of safe havens" but that the United States had decided to go along with it because the Europeans wanted it.

"Since the international community feels, as represented by my colleagues here seated with me, that that can be a valuable concept, the United States is willing to cooperate in that endeavor," he said.

Under the joint plan, the United States would protect UN peacekeeping troops guarding the Muslim enclaves. But it would not come to the rescue of the safe areas themselves should they be attacked by Serbs, nor contribute troops to the

peacekeeping effort on the ground.

The agreement reflects the abandonment by the Clinton administration of its earlier plan to arm the Bosnian Muslims, which was opposed by Russia and the allies.

The plan announced Saturday also includes a commitment to put international monitors on the border between Bosnia-Herzegovina and Serbia, to ensure that President Slobodan Milosevic of Serbia keeps his word not to send weapons to Bosnian Serbs.

Croatia would be warned that it could face economic sanctions if it assisted the Bosnian Croats' campaign of "ethnic cleansing" against Muslims.

The joint strategy also proposes the rapid creation of a war crimes tribunal so those guilty of atrocities can be brought to justice, and urges increased "international monitoring" in the Serbian region of Kosovo, which has an ethnic Albanian majority. It calls for an increased international presence in Macedonia.

The British foreign secretary, Douglas Hurd, described the joint strategy as a "realistic" approach, "only the first steps."

He added, "No one is pretending that this is going to be an easy road, or a simple road that we've set out."

The plan emphasized the importance of reaching a negotiated settlement that would "build on" the Vance-Owen peace plan, which calls for creating 10 semi-autonomous provinces, but did not rule out alternative peace proposals.

The six safe havens, already identified in an earlier resolution approved by the Security Council, are Srebrenica, Gorazde, Zepa and Tuzla in the east, as well as the capital, Sarajevo, and Bihać in the northwest. Officials said about 1.2 million people, including tens of thousands of refugees, are now taking shelter in the six towns.

(AP, Reuters, NYT)

## SERBS: In Bosnia, the Mood Ranges From Nonchalance to Smugness

(Continued from page 1)

troops of "ethnic cleansing," bombarding Muslim and Croatian communities in Bosnia, then forcing survivors to flee to create "pure" Serbian communities that could eventually be annexed to Serbia.

As Zoran spoke, the roar of jet engines could be heard far above, apparently NATO aircraft patrolling the no-flight zone imposed over Bosnia to stop Serbian military aircraft from attacking Muslim and Croatian areas.

Zoran laughed and pointed to the skies. "You see," he said, "they dare not get anywhere close to us. They try to frighten us with their noise, but that's all it is, noise. That's all America has ever been good for here, noise."

Outside the Cvetnik Cafe, a World War II-era 50-caliber Browning machine gun stood idle in a sandbagged revetment, along with a mortar tube aimed toward Sarajevo. From positions like these, Serbian gunners have killed at least 10,000 people in the city and wounded more than 50,000. The weapons are fired less often now.

"We fire only when we need to teach the Muslims a lesson," Zoran said.

A similar confidence is common in the parts

of Bosnia seized by the Serbian forces. The Serbian nationalist broadcast network has chronicled each shift in the policy pronouncements from Washington, London and Moscow. Like investors following trends on Wall Street, even gas-station attendants and supermarket clerks keep a running check on the risks of Western military intervention. For now, the sense among the Serbs of Bosnia is that the risks are close to nil.

The Serbs know that President Bill Clinton has backed away from the tough talk of only three weeks ago.

In Pale, Mr. Clinton's shifting resolve appeared to have encouraged moves that carried Bosnia closer than ever to dismemberment. Emboldened by a referendum last weekend in which 96 percent of nearly 1.2 million voters were said to have voted against an international peace plan for Bosnia and in favor of the independence of the "Republic of Srpska," the title nationalists have given to the lands seized in the war. The republic's self-styled parliament approved measures aimed at consolidating the breakaway state and making it, in practice if not in law, a province of Serbia.

Already, it has a government, headed by the Serbian leader in Bosnia, Radovan Karadzic,

now referred to by his aides as President Karadzic. It has its own army of perhaps 85,000 men, and its own paramilitary police. Its parliament has approved 700 statutes and decrees, many of them identical to the laws of Serbia.

The state has issued its own currency, the Srpska Republic dinar, and it announced this week that it had its own postage stamps, too, even if the only country that will accept them is what remains of Yugoslavia, composed of Serbia and Montenegro.

At a checkpoint outside Sarajevo, where Serbian-held territory abuts an area controlled by Bosnian Croats, Serbian policemen have established an "international frontier." Rigorous "customs checks" are enforced. Ill-favored travelers have had cars and wallets full of hard currency seized.

On military matters, the parliament declared that "the Srpska Republic no longer considers itself at war" and urged the United Nations to send additional troops to Bosnia, beyond the 8,000-member force already here, to assist in separating the opposing forces along the 750 miles (1,200 kilometers) of "confrontation lines" that run like a firework across the Bosnian map.

## MONARCHY: British Debate

(Continued from page 1)

school, I used to sit at my desk learning my nine's tables and the queen's portrait looked down on me and I believed in her. She was an icon. I also believed in fairies and Santa Claus and God. And one by one, I've stopped."

The royal family, she said, was "the apex of our terrible class system which strangles people."

If people want pageantry, she suggested, "we can keep the uniforms."

Charles Moore, the editor of The Sunday Telegraph, engaged in an articulate defense. The monarchy, he argued, is inseparably bound up with Britain. "It exists," he said. "It is there. It's visible on postage stamps, letter boxes and in toasts at formal dinners."

It was deserving of deference, he said, "because it has so much to do with the peace and freedom that we enjoy."

A poll taken at the end of last year by Market and Opinion Research International indicated that the number who thought Britain would be worse off without a monarchy had dropped to 37 percent and the number who thought it would actually be better off had risen to 17 percent.

To counteract the negative image, Buckingham Palace has gone on the defensive. The queen will pay some taxes, the palace will be thrown open to tourists for a few years to help offset the cost of repairs at the fire-struck Windsor Castle, and Charles has given up league polo and stepped up his state visits and environmental and business activities.

In fact, the front pages of most British papers Saturday carried articles about the Royal who is probably the most popular of all, Queen Elizabeth the Queen Mother, 92. She left the hospital Sunday after a minor operation to remove a piece of food from her throat.



If you want to put your business on the map, learn to phone back from almost any point on it.

When you're doing business in another country, a telephone can often be your best friend. Or your worst nightmare. Fortunately, if you need to call the U.S. quickly, you possess the two essentials.

Your AT&T Card. And the highly useful numbers at right. (You'll find even more on the back page.)

With your card and with any of these AT&T USA Direct Service access numbers, you can call the U.S. easily.

Just bill it to your AT&T Card. Or call collect. Either way you can take advantage of our competitive prices. And minimize hotel surcharges.

You can also be more productive with lots of useful AT&T features like

AUSTRIA	022-903-011
BELGIUM	078-11-0010
FRANCE	192-0011
GERMANY	0130-0010
IRELAND	1-800-550-000
ITALY	172-1011
NETHERLANDS	060-022-9111
SPAIN	960-98-00-11
SWITZERLAND	155-00-11
UNITED KINGDOM	0800-85-0011

The phone numbers listed are for AT&T service only. \*\*Not for personal use. Hours of service are listed on the back page.

AT&T USA Direct Service

AT&T Message Service. The capability to reach 800 numbers in the U.S.\* as well, and AT&T World Connect™ Service from one country to another.

It's really simple. Today almost anywhere your business may take

AT&T USA Direct Service. Your Express Connection to AT&T Service.



INTERNATIONAL **Herald Tribune**

**The Europeans' Turn**

The Europeans turned down President Bill Clinton's earlier suggestions for military initiatives in Bosnia, and so it is only right that, with a newly energized Russia joining in, they (the British, French and Spanish) should be taking their turn at the policy helm. If the United States adds its weight as well as its words to theirs, some progress could be made at least in what has now been broadly accepted as the first purpose of policy — stopping the war.

One dampener would be general recognition of the former Yugoslav republic's independence. Lingering Greek objections to Macedonia's taking independence under that name slow the process. It is idle for the allies to speak of Balkan containment if they all, including the United States, do not halt the diplomatic waltzing and recognize Macedonia at once. Washington weighs sending monitors to Macedonia — but without recognizing the country first!

**Change in Venezuela**

As the United States' second-largest oil supplier and one of Latin America's longest-running democracies, Venezuela merits special attention. The downfall of its flamboyant president, Carlos Andrés Pérez, on charges of embezzlement of public funds poses no obvious threat to the oil flow. And it just might check the undermining of democratic morale that provoked two nearly successful coup attempts within 16 months.

Washington's primary obligation is to honor the unfolding democratic process. Both the interim president, to be chosen by the Venezuelan congress in the coming weeks, and his or her successor, to be popularly elected later this year, will need all the external support they can get to rebuild democratic faith after the Pérez debacle.

**The Travel-Office Botch**

Maybe the people working in the White House could have found a worse way to do whatever it is they are still doing to the White House travel office, but we doubt it. We say that having not the slightest idea what the real grounds were for the firing of the seven mostly longtime career employees who formerly worked in the office — and that is the whole point.

The White House official who did the firing has past contacts with this particular firm. Friday, however, embarrassed officials announced the firm was being dropped to avoid "any possible perception that [its] selection was based on a prior personal or business relationship with members of the campaign staff who now work at the White House."

**Other Comment**

**The Coiffing of a President**  
"The president," said the White House communications director, George Stephanopoulos, "has to get his hair cut."

Here is a one-of-the-guys president being barbered by a haircutter to Hollywood stars. Here is a president who preaches sacrifice self-indulgently buying what must be one of the priciest (\$200) hairdos around. Here is the populist caught taking full advantage of the trappings of the imperial presidency. Next time, Mr. President, try getting it cut in a less public place.

**A Proven Plot Would Require Real Action**

By Jim Hoagland

WASHINGTON — Despite the fact that it is a no-brainer, except for a moment that it is true. Accept that Saddam Hussein ordered an assassination attempt against George Bush during Mr. Bush's recent visit to Kuwait. Put aside the charming official denial from Saddam's benchmen that they would not bother "blowing up somebody who is already dead."

But when I put the question to Massoud Barzani, the Kurdish leader whose survival depends on his ability to read Saddam's acts and motives, Mr. Barzani immediately said that the plot sounded credible to him.

knowledge of the American evidence against the Libyans for a year while the grand jury secretly weighed it. Taking the legal route blocked the more muscular options recommended by some at the State Department.

The Washington Post



**A Trade Demotion for China Would Derail Change**

By Pei Minxin

PRINCETON, New Jersey — Four years ago, as a student representing the democracy movement being brutally suppressed in Tiananmen Square, I testified before the U.S. Congress and urged economic sanctions, including the suspension of most-favored-nation trade status.

that may be endangered if Congress punishes China through trade. Unnoticed by much of the American public, Communist rule has succumbed to the market forces unleashed by 15 years of reforms.

As president, George Bush avoided the simple solution of denying China favored-trade status. The achievements of his flexibility were numerous. Beijing signed a ban on exports of goods produced by prison labor, agreed to protect American intellectual property and gave the United States more access to its market.

The writer, a Chinese citizen, is an assistant professor of politics at Princeton University. He contributed this column to The New York Times.

**Clinton, Even as He Flails, Is Right About Cynicism**

By E. J. Dionne Jr.

WASHINGTON — President Bill Clinton really let it rip last week in a speech at New York's Cooper Union, devoting part of his talk to a sermon on the rather elevated subject of cynicism vs. faith.

That the money was not there and that he needed a middle-class tax increase. Sure it took guts to call for a large tax increase, and Mr. Clinton deserves more credit for that than he is getting. His problem is that the middle-class tax cut was more than a simple campaign promise. It was Mr. Clinton's way of sending a larger message: that he, unlike some other Democrats, understood the complaints of middle-class voters against an unfair tax system and against a government that did not seem to deliver a fair return on the money sent to Washington.

have stemmed even partly from principled opposition to government spending. It had to be about Mr. Dole's presidential ambitions or his problems with Senate Republicans or something else thoroughly selfish. God forbid that we even entertain the possibility that Mr. Dole or Mr. Clinton might believe in something.

INTERNATIONAL HERALD TRIBUNE  
KATHARINE GRAHAM, ARTHUR OCHS SULZBERGER  
Co-Chairman  
LEE W. HUEBNER, Publisher  
WALTER WELLS, News Editor  
SAMUEL ABE, KATHERINE KNORR  
CHIEF OF BUREAU, Deputy Editors: CARL GEWIRTZ, Associate Editor  
ROBERT J. DONAHUE, Editor of the Editorial Page • JONATHAN GAGE, Business and Finance Editor  
RENÉ BONDY, Deputy Publisher • RICHARD H. MORGAN, Associate Publisher  
JUANITA CASPARI, International Advertising Director • ROBERT FARRE, Circulation Director, Europe  
International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92521 Neuilly-sur-Seine, France.  
Tel.: (1) 46.37.93.00. Telex: Circulation, 612832; Production, 630698.  
Directeur de la Publication: Richard D. Simmons  
Chairman from 1958 to 1982: John Hay Whitney  
Editor for Asia: Michael Richardson, 5 Canberbury Rd., Singapore (011) Tel. 473-7768. Telex: R35928  
Mng. Dir. Asia, Roy D. Kronapohl, 50 Gloucester Rd., Hong Kong, Tel. 8610616. Telex: 61170  
Mng. Dir. U.K., Garry Thorne, 63 Long Acree, London WC2E. Tel. 836-4802. Telex: 262009  
Gen. Mgr. Germany, W. Lauerbach, Friedrichstr. 15, 1000 Frankfurt, Tel. (069) 726755. Telex: 416721  
Pres. U.S.: Michael Cowry, 350 Third Ave., New York, N.Y. 10022. Tel. (212) 752-3890. Telex: 427175  
S.A. au capital de 1,200,000 F. RCS Nanterre B 732021126. Commission Paritaire No. 61337  
© 1993, International Herald Tribune. All rights reserved. ISSN: 0294-8252

**The 'Real' Anita Hill: Check the Facts**

By Anthony Lewis

NEW YORK — When a partisan ideologue publishes a book that purports to expose an opponent as corrupt, would any sensible reviewer accept its factual assertions without checking, and praise it as an impressive investigative study? One would think not.

had made sexual remarks to her. Mr. Brock, attacking her, said that Ms. Wright had refused to be interviewed by the FBI and that a statement by her was unsworn. But she was interviewed by two FBI agents, and her statement was sworn. Mr. Brock never asked to talk with her.

**IN OUR PAGES: 100, 75 AND 50 YEARS AGO**

**1893: The Joker Is Wild**

LONDON — Mr. Labouchere protests in today's [May 24] *Truth* against the practical joking of which, as already reported in the *Herald*, he has been a victim. "The anonymous joker," he says, "ordered two hearse, each with two mourning coaches, and requested a representative of the cremation company to call and arrange for my cremation. He ordered a marriage cake, a bed, furniture, coat, a coat, a billiard table, prints, carpets, beer, spirits and wines, some of which was delivered, and a vast number of other goods, including an umbilical belt for herms."

**1918: A Capital Defense**

PARIS — An American squadron, with pilots picked from among the most skillful and experienced, will in future take part in the defense of Paris against air raids. This announcement was made officially yesterday [May 23] in a Note which says

**Bomb-Size Loopholes To Close**

By Paul L. Leventhal

WASHINGTON — For nearly 25 years, the world has depended on the Nuclear Nonproliferation Treaty to stop the spread of weapons. But Iraq and North Korea have exposed its dirty secret: It legitimates, even facilitates, production of weapons materials — plutonium and bomb-grade uranium.

These inspectors certified Saddam Hussein's nuclear program peaceful and declared Iraqi conduct under the treaty "exemplary." They were helpless when North Korea said it was quitting the agreement and keeping enough plutonium to make as many as six bombs.

The treaty rewards nations that refuse to sign. It permits them to retain "peaceful" nuclear materials and technology from member nations without opening all their nuclear facilities to inspection. Brazil, India, Israel and Pakistan have an incentive not to sign the treaty because they qualify for nuclear assistance without it.

**1943: Dortmund Is Hit**  
LONDON — [From our New York edition:] The heaviest raid of the war was delivered by the Royal Air Force last night [May 23] against Dortmund, steel and synthetic oil center of the eastern Ruhr industrial belt. A record number of four-engined bombers, probably greater than 800, dropped more than 2,000 tons of high explosives and incendiaries in a concentrated sixty-minute attack. Thirty-eight aircraft were lost. The load exceeded by 500 tons the weight of bombs dropped on Cologne in the 1,000-bomber raid of May 30, 1942, and brought to 100,000 tons the cargo of devastation dumped on targets within Germany since the war began.

Bomb-Site  
Loopholes  
To Close

# EGYPT



Opportunity in Egypt: read all about it.



High-tech food research: The application of science turns sprouts into valuable exports.



The dominant view in Cairo: encourage investment.

## The Rewards Of Reform

There is a sense of urgency in Egypt born as much of opportunity as of threat. The promise of a year ago has only partially borne fruit in the remarkable progress made in currency reform and economic stabilization, reducing inflation to less than 10 percent.

The strength of the Egyptian pound, now convertible for most transactions, has attracted some \$15 billion in deposits, enabling interest rates to fall and allowing the authorities the unfamiliar luxury of purchasing options. But in the meantime, the old bogey of Islamic radicalism has resurfaced, threatening to undermine the halting Middle East peace talks and wreaking temporary havoc with the tourism industry.

Foreign-exchange earnings have remained buoyant despite the slump in tourism revenues. Non-traditional exports have languished in the face of European recession, and oil revenues have been affected by low oil prices. But agriculture and cotton production are responding well to price liberalization, helping the balance of payments, and Suez Canal revenues remain buoyant.

The main elements underpinning the strong currency are remittances, which continue to surge, and inflows of Arab money taking advantage of attractive interest rates and investment opportunities.

This gives credence to the observation of Fahd al Rashed, the chairman of Arab African International Bank, that the country is entering a critical stage of capital formation. "Egypt is coming into an interesting phase of openness, and there will be lots of possibilities," he says. "The success of this transition will depend on the role of investment banks and financial intermediaries."

It is a view echoed by Ahmed Foda, managing director of Investments & Securities Group: "Given the right momentum, the right mixture in our area, we are heading for the breakthrough," he says.

The difference between now and 12 years ago, when Egypt was at a similar point in the economic cycle, is the evolution of the financial and business environment. The country and the economy are ready now to exploit the inflow of remittances and Arab funds as they were not

then. The banking and financial system is gearing itself for an era of growth that will create an explosion of opportunities.

Central to this strategy are moves to break up the public-sector hegemony that has been such a drag on the speed of reform, releasing assets for more productive use. Privatization is thus a psychological as much as an economic necessity. Although offers have been invited for the first batch of privatized companies, there is still confusion as to how their sale is to proceed.

It is at this critical juncture in the reform process that the government's nerve is being tested. The IMF is helping it keep its eye on the ball by making a new standby agreement conditional on the Structural Adjustment Program being completed, even though Egypt has met the targets set out in the 1991 IMF agreement.

There is also a need for a further activation of the debt-reduction program, now half completed, which has been

## Banking Sector More Competitive

Banks and financial institutions in Egypt are facing a challenging but potentially rewarding year. Ceilings on private-sector credit have been removed and interest rates and financial laws have been liberalized.

In the fiscal year ending in June 1992, the country's four leading state-owned banks saw their balance sheets rise by more than 20 percent, reaching a total of 104 billion Egyptian pounds (\$32 billion). National Bank of Egypt (NBE), the largest, reported a 32 percent rise in its total assets, to 44.3 billion pounds, while the assets of second-ranking Banque Misr increased by 16 percent, to 33.9 billion pounds.

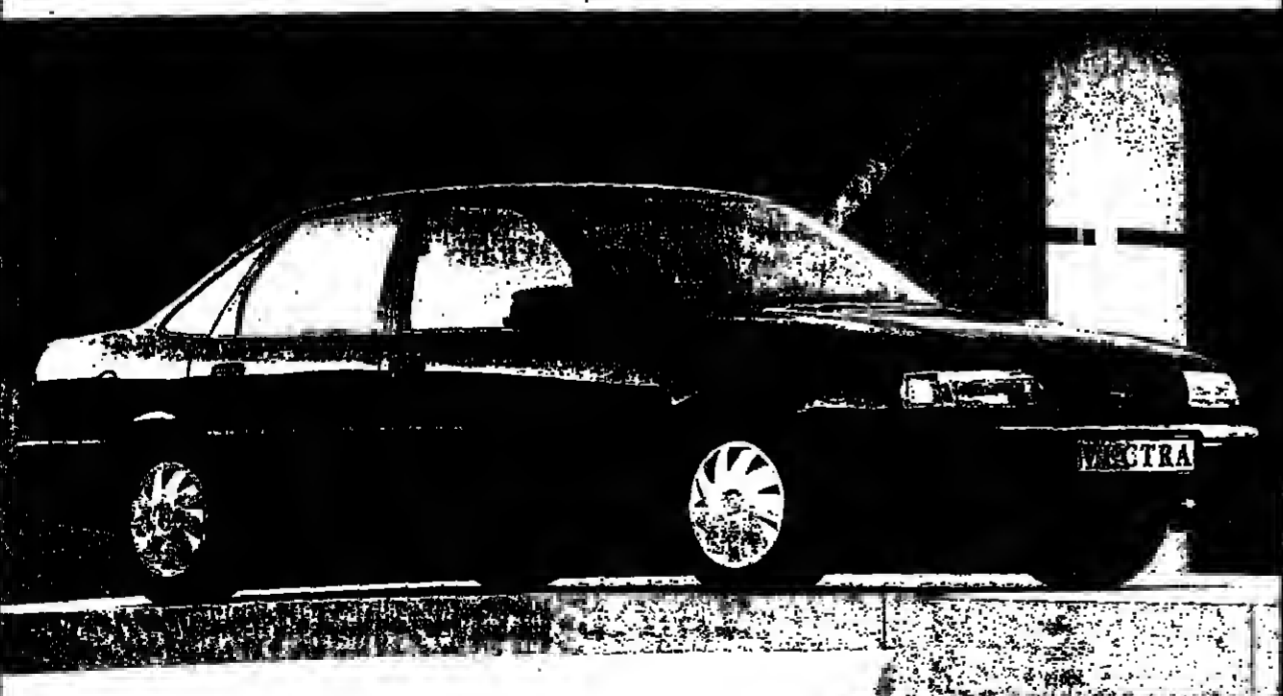
Significantly, however, lending by the four — the Banque du Caire and the Bank of Alexandria, as well as NBE and Banque Misr — actually fell or remained virtually static, due to the imposition of controls on credit introduced by the government to prevent inflation at a time of radical changes in the country's economic structure.

The increase in assets reflected a general shift toward

Continued on Page 10

Continued on Page 11

**GENERAL MOTORS EGYPT**  
PROUDLY INTRODUCES  
**THE AFFORDABLE LUXURY CAR**



## OPEL VECTRA 1993

General Motors Egypt is the most successful commercial vehicle producer in Egypt. Established in 1985, G.M. Egypt has built a reputation for outstanding product quality and dedication to customer satisfaction.



Now G.M. Egypt will apply its successful formula to passenger cars. Beginning September 1993, G.M. Egypt will produce and sell the OPEL VECTRA 2.0 L.G.M. Egypt will be the only manufacturer in Egypt to use the Elpo primer paint process — a standard in all German luxury cars. As with all G.M. products, the Vectra 2.0 L will be supported by the most extensive dealer service and parts network in Egypt.



- INTERNATIONAL CREDIT
- TRADE FINANCE TRANSACTIONS
- CUSTOMER SERVICES
- ALL TYPES OF TREASURY OPERATIONS
- PROJECT DEVELOPMENT & FINANCING
- INVESTMENT AND REAL ESTATE ADVISORY SERVICES
- INT'L CREDIT CARDS (VISA AND MASTER CARDS)

THE PRESENCE AND THE CAPACITY  
TO MEET YOUR  
INTERNATIONAL BANKING REQUIREMENTS

البنك العربي الافريقي الدولي  
arab african international bank

International Head Office: 5, Midan Al Saray Al Koubra - Garden City - P.O. Box 60 (Magless El-Shaab) 11516 Cairo  
Tel: 3545094/3545095/3545096 - Telex: 93331 AAIB UN - Fax: (202) 3558493  
Branches (Egypt): Cairo, Alexandria, Heliopolis  
U.K.: London - U.S.A.: New York - U.A.E.: Dubai, Abu Dhabi - Lebanon: Beirut  
Subsidiaries: Egypt Arab African Bank

# Oil and Gas Finds Needed to Fill Gap

Egypt's new flexible stand with international oil companies is boosting hopes that output will increase substantially during the next few years. At the same time, new discoveries of natural gas have been made, and there is an intensive search on for more sources of oil and gas. It is hoped that these will meet rising energy demand at home and release crude oil for export.

Local consumption of both crude oil and gas is expected to increase significantly over the next decade, and a looming gap between energy supply and demand is causing intensified efforts in exploration, development and production.

A significant breakthrough in a round of tough negotiations with Western oil firms came in April, when the People's Assembly approved a new agreement with the International Egyptian Oil Company, the local venture involving Agip

### Plan to double exploration area

of Italy. It extends Agip's production licenses until the year 2020 and is expected to fuel substantial new investment in the company's concessions.

These include 12 production areas shared with the state-run Egyptian General Petroleum Corporation in a joint venture, Belayim Petroleum Company (Petobel). The partnership already produces 230,000 barrels of oil a day, about 25 percent of Egypt's total crude oil output. Agreements with the U.S. giant Amoco, which accounts for 50 percent of Egyptian output, are also due for negotiation soon.

The minister of petroleum and mineral wealth, Hamdi al-Banbi, is optimistic: "It is our policy to encourage international companies," he says. "We are aware of the competition for exploration dollars, and we are willing to be flexible."

The government has announced improved cost recovery and profit share terms to bidders for a series of concessions due to be offered later this year. EGPC has said that cost recovery terms will be increased to 35 percent to 40 percent, while foreign partners will be able to share up to 30 percent of the profits from production, instead of the maximum 20 percent allowed previously.

Bids for several concessions in the Gulf of Suez and in the Western

Desert were due in by April 30, 1993, while bids for others, located in the Red Sea and offshore Mediterranean areas, are due in the third quarter of this year.

The importance of increasing oil output is underlined by recent estimates that Egypt is currently consuming nearly one-half of all the crude oil it produces, thereby reducing the amount available for export. Ahmad Shawqi Abidin, the chairman of Gupeco, the joint venture between Amoco and EGPC, said in Cairo in November that while current production amounted to about 890,000 barrels a day, only 17 percent was exported. Foreign partners received a third of total production, including the portion allowed to cover their operating and development expenditures.

Total crude oil reserves in the Gulf of Suez basin, the country's main producing area, are estimated at 8 billion barrels, while those in the Western Desert are thought to amount to 600 million barrels. Some experts estimate that only about 3.6 billion barrels of crude oil can actually be recovered under present conditions, a figure that underlines the importance of new investment in exploration and development as well as in production.

Touring an area of recent new discoveries in the Western Desert late last year, Mr. Banbi said that the government aimed to double exploration activities to cover up to 700,000 square kilometers in the next few years, compared with the 300,000 square kilometers currently being explored. New technology was being implemented for this purpose, he added, including the use of four of the world's 24 industrial satellites to identify potential drilling sites.

Optimism about increased natural gas output is also rising following the announcement of new discoveries by Shell and by a joint venture of Norsk Hydro and the Kuwaiti concern, Kufpec.

Shell's find, announced in No-

vember, is one of the largest to date in Egypt. Located in the Matruh and Obayed permits north of the Western Desert, it is estimated to have a minimum of 1.4 trillion cubic feet of gas, and possibly as much as 4 to 5 trillion cubic feet, according to Tareq Heggi, president of Shell Egypt. Drilling is now proceeding to determine the extent of the reserves, he says.

East of Matruh, Norsk Hydro and Kufpec have reported a strike that produces 19 million cubic feet of gas a day and 1,800 barrels a day of condensates at a depth of 14,000 feet.

Even before these latest discoveries, production of natural gas and its derivatives (condensates and liquefied petroleum gas) has been rising significantly. Output rose from 5.1 million tons in the fiscal year 1985-86 to 8.1 million tons at the end of June 1992, according to Medhat Hattah, president of Egypt's Engineering for the Petroleum and Process Industries (Enppi).

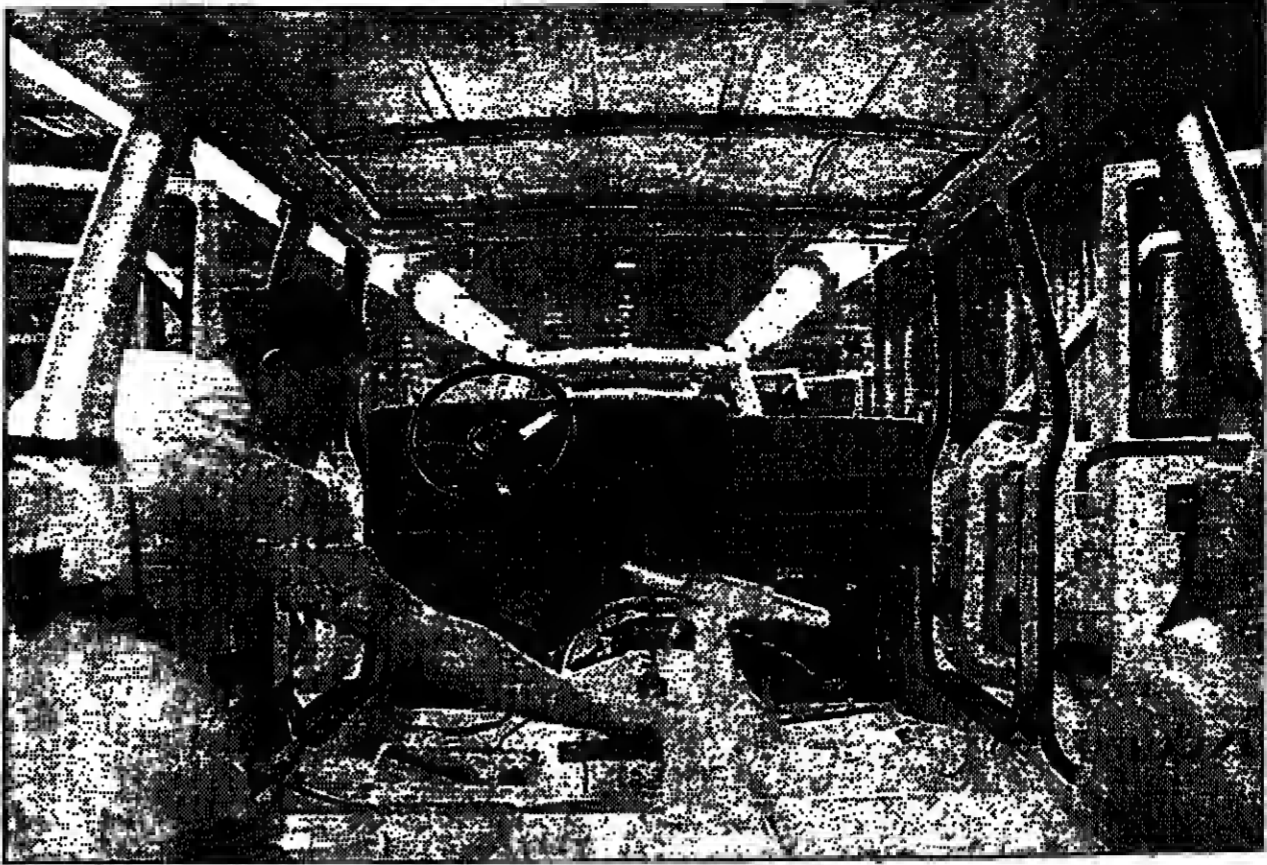
Proven gas reserves are estimated to have risen from 8 trillion cubic feet in 1984 to 12.8 trillion cubic feet in January 1992. The largest fields

### New technology opens new fields

are located at Abu Qir (1.13 trillion cubic feet of non-associated gas) and in the Gulf of Suez and Western Desert (2.11 and 1.12 trillion cubic feet of associated gas respectively).

As is the case with oil, local consumption is rising. Projected gas demand in the year 2010 is expected to amount to 4,100 million cubic feet of gas a day, compared with 900 million cubic feet a day in 1991. Current production, on the other hand, amounts to only about 950 million cubic feet a day, raising the prospect of a significant gap between supply and demand unless major new fields are brought on stream in the next decade and a half.

Pamela Ann Smith



The assembly line of an automobile factory keeps moving in spite of hard times.

# Transport Is Needed Even in Recession

Despite the prolonged recession, the demand for transport in Egypt remains strong, and new assembly plants are starting up. The only concession to the changed realities has been a scaling down of growth projections.

Decisions to locate in Egypt are still guided as much by market potential as by current economic trends, especially since the advent of small assembly operations has made strategic locating economically feasible.

In recent years, a number of small-scale assembly plants have started up across the auto production spectrum. Apart from the state auto manufacturer Nasco, Chrysler, Suzuki and the doyen of foreign manufacturers in Egypt, General Motors, already assemble either sedans or light vehicles, and these manufacturers are now being joined by Peugeot, Citroën and South Korea's Hyundai.

The main casualty of the recession has been Nasco's sedan production.

In contrast, demand for trucks, buses and micro-buses has grown steadily. So, too, has the appetite of Egypt's burgeoning entrepreneurial class for expensive imported cars.

Now General Motors Egypt, a joint venture between General Motors, Isuzu of Japan and private Saudi and Egyptian investors, is testing the market for small to medium-sized luxury cars, until now supplied by imports, by introducing a locally assembled Opel Vectra. Billed as Egypt's affordable luxury car, the 2-liter Vectra will retail at 74,900 Egyptian pounds (\$22,421), plus 20 percent sales tax, a fraction of the 1 million pounds or more asked for a top-of-the-range imported Mercedes and well below the retail price of other imported cars.

Orders for the new car, which will be launched in September, are now being taken. According to Ron Nardi, GME's chairman and managing director: "The Opel has been very well-received. Initial response is very encouraging, and the order book is filling up." The aim is to produce 1,000 units in the fourth quarter and then gear production to demand.

As far as import duties on trucks are concerned, Mr. Nardi points out that the 20 percent rate is lower than the 25 percent added in the United States. "What we would like to see in Egypt is an added-value type of duty," he says. This would allow the American cars he sells to compete because their engines, he claims, "are more

efficient and more competitive than engines coming from other parts of the world."

Sales of GME trucks, under the Bedford, Chevrolet and Isuzu labels, are holding up well: GME maintains its dominant position, with between 60 percent and 70 percent of the market. Current production capacity at GME's Sixth of October plant is 1,000 units a month on one shift, split roughly two-thirds for the TFR range of one-ton trucks and one-third for the NPR range of light pickup trucks and micro-buses. The introduction of the Vectra will necessitate significant changes to the workshop configuration, and GME has made a major commitment of funds for this purpose.

Alan Mackie

This advertising section was produced in its entirety by the supplements division of the International Herald Tribune's advertising department. • Alan Mackie is a free-lance journalist based in London who visited Egypt for this section. • Pamela Ann Smith is based in London and writes often about Middle East issues. • Olfat El-Tohamy is a journalist, business consultant and lecturer in business communications based in Cairo.

شروق للطيران  
**SHOROUK AIR**  
1191 Corniche El-Nil - Cairo

**A STAR IS BORN**  
THE FIRST EGYPTIAN KUWAITI AIRLINE

Fly With Style

LOWER DISCOUNT SECTION

Reclaiming

38 Mossadak St. D  
Fax: 3496787

Handwritten Arabic text at the bottom of the page.



الشرق الأوسط

ADVERTISING SECTION

ADVERTISING SECTION



Science can produce cloned, disease-free plants for export.

## Reclaiming the Desert

Egypt's future in agriculture lies in desert reclamation as urban encroachment and other factors reduce the amount of land available for producing crops.

New wheat strains have improved yields spectacularly, and price liberalization has raised productivity throughout the industry, especially for cotton. But excessive use of fertilizers and poor drainage have exhausted much of the land. A social revolution in agriculture and heavy investment to leach the accumulated poisons from the soil will be needed to bring these lands back to full productivity.

For this reason, many of the private sector farms that have sprung up to serve the local and export markets prefer the clean environment of reclaimed lands, where diseases and pests can be more easily controlled.

The need for plants free of disease and pests, particularly for exacting export markets, has spawned new technologies in plant reproduction and development. At the vanguard of this technology is Pico, a private conglomerate established 10 years ago which has farms producing a variety of fruits and vegetables, some of which are marketed locally.

Planting experiments are more than 10 years old, and free of disease and pests. The center has matured, it has developed its own technology. One of the biotechnology techniques the center uses is to strain viruses and bugs out of plant buds by purification and sterilization over four plant generations, during which buds are cloned to multiply yields and to improve genetic structures. Plantlets are first developed in nutrients, hormones and vitamins before cloning.

Then the root system is built up and the skin tissues are hardened prior to planting in the field.

The process is most successful for plants with relatively short but prolific life cycles, such as bananas and pineapples. These have proved big money spinners in Latin American markets. The process is also successful with potatoes, asparagus and chicory and is used to improve strawberries by grafting strains that combine good fruit qualities with sweetness. Pico has been exporting biotech strawberries.

Pico has also used biotechnology to build up a thriving ornamental plant business for the local market. It is now developing export sales and recently exhibited at the Aalsmeer Exhibition in Holland. The use of biotechnology to produce fruit and other deciduous tree saplings is valuable in enabling the shape and quality of the tree to be predetermined.

Local farmers have not been put off by the fact that disease-free and high-yielding plants can cost three times as much as conventional ones. Planting experiments are more than 10 years old, and free of disease and pests.

As importantly, the center encompasses all Pico's agricultural endeavors by maintaining quality control. According to Pico's managing director, Salah Diab, quality is one of the main constraints preventing greater penetration of export markets. Pico should be able to export all it can produce, he maintains. The company has been supplying top European retailers like J. Sainsbury (with organic produce) and Marks &

Spencer for several years. "Our eyes are on Europe," says Mr. Diab. "We have the comparative advantage of climate, knowledge and water availability."

Another present constraint on export growth is shortage of land, but Pico has the capacity to expand its land stock, currently 4,000 feddans (a feddan is .42 of a hectare), by 1,000 feddans a year, either through its own reclamation efforts or by purchasing recently reclaimed land. This should provide scope for a 20 percent a year growth in agricultural exports, currently worth \$8 million annually.

A.M.

## New Breed of Investors Plays Increased Role

Cooperation between Arab countries is growing and deepening, thanks to a perception born during the painful Gulf War that they hang together or hang separately in a world that is becoming increasingly interdependent.

Egypt is a beneficiary of this trend, with an unprecedented inflow of Arab funds attracted by high domestic interest rates and blossoming investment opportunities.

The change in sentiment toward Egypt has been

### Airlines see threat coming from EC

slow but sure. It has been consolidated by the emergence of a new breed of entrepreneur in the Peninsula. Western-educated and often little more than 40 years old, these businessmen want far more "hands-on" management of their assets than did their fathers. The new breed is adopting a more regional strategy, conscious of the political leverage this gives them, and Egypt is very much on their map.

Arab oil money continues to flow into traditional havens such as real estate (pushing Nile-side property prices to among the highest in the world), tourism and selected consumer, food and agricultural projects.

Dr. Ahmed Foda, managing director of Investments & Securities Group, sees these new funds going into joint ventures, sometimes into new investments and sometimes for the expansion of existing

plants. In his view, inward investment from Saudi Arabia has increased several-fold in the past two to three years, while Kuwaiti investment has tapered off since the war against Iraq.

Hazem Hassan, of the consultants and accountancy group KPMG Hazem Hassan, notes an inflow of corporate funds. "Lately we have been approached by financial institutions and corporations to look into investment in the industrial field," he says. "Individuals want to invest in property. But these institutions are more sophisticated

the \$40 million Alexandria Carbon Black Company project as examples.

A different form of inter-Arab cooperation, in which Egypt is as much giver as taker is the private-sector airline Shorouk Air. The genesis of Shorouk goes back nearly a decade, to an era when Gulf emirates were building full-scale international airports within throwing distance of each other, and national airlines were as emblematic as the national flag, says Ismail Sherif, chairman and chief executive officer of Shorouk.

An EgyptAir veteran, Mr. Sherif has long experience in trying to build inter-regional cooperation in the airline industry. Efforts to establish a log of Arab aircraft and to coordinate insurance, fuel and catering policies were rebuffed. But in the mid-1980s, cooperation between Kuwait Airways and EgyptAir began to take root. "They decided to cooperate rather than compete," says Mr. Sherif. "KAC would lease aircraft to EgyptAir over the weekend. At one time in 1986, half the Kuwait Airways fleet was leased to EgyptAir." Both airlines benefited from the high utilization rates, and the seeds of mutual cooperation were sown.

Initially, the intention had been to establish a private-sector leasing compa-



Ahmed Foda, managing director of Investments & Securities Group.

ny, with both airlines contributing new equipment. Shorouk was eventually launched in October 1992 as a joint-venture charter company in which EgyptAir and KAC each have a 49 percent stake, with the remaining 2 percent held by Egyptian travel agents. Shorouk was granted a scheduled operator's license, with a brief to serve Arab countries and to exploit sectors unused by the national carriers. The first

scheduled service, a flight between Cairo and Kuwait via Beirut, is now operating, using EgyptAir's rights for the Cairo-Beirut leg and KAC's rights for the Beirut-Kuwait section.

Shorouk has also obtained a license to operate to Canada, Singapore and Sydney and plans to complement some of EgyptAir's flights in Europe. To meet this expanded brief, Shorouk has acquired two A320 Airbuses, and a third is due in July. It has also ordered four Boeing 737s, two for passengers and two for freight. Mr. Sherif sees Shorouk playing an important role in focusing Arab minds on the need for a collective strategy for the airline business. "European carriers are going into joint ventures with Far Eastern carriers," he says. "That is what is missing in the Middle East. I am trying to persuade Arab carriers that there must be a strategy to compete."

A.M.



Ismail Sherif, chairman of Shorouk Air.

ed. They have their own research departments, and they do their homework. I believe the trend is increasing." He cites Sandi investment in the \$140 million Arab Company for Special Steels project and



Where the future lives

The National Bank of Egypt has a distinguished history of service stretching back over 94 years, ranking among the world's top 500 banks, and Arab's top 100 banks. NBE provides the meticulous concern you deserve. For the full spectrum of banking services.

Contact us and build a relationship... that will stand the test of time.

Egypt: 24, Sherif St., Cairo Tel.: 3924143 / 3924175 / 3924184 Telex: 92238 / 22327 NBE UN  
London: National Bank of Egypt International (NBEI)  
City branch: Park House, 16 Finsbury Circus, London EC2M 7DJ Tel.: 5746446 - Telex: 916625 NBE LDNG  
West End branch: Trafalgar House, 11 Waterloo Place, London SW1Y 4AU Tel.: 5746446 - Telex: 916625 NBE LDNG

### DISTINCTION

One of the most successful joint ventures in Egyptian Banking History.

An affiliate of American Express Bank LTD and Bank of Alexandria.

Started in 1976, 26 branches in Egypt and correspondents all over the world.



THE SPECIALIST IN SALTY SNACK FOOD

الريادة في صناعة البطاطس

38 Mossadak St., Dokki - Giza - Egypt TEL : 3610093 - 3610094  
Fax : 3496787 Tlx : 93426 ZAKI UN - 22732 MAHGOUB UN

٢٨ شارع مصدق بالقى - الجيزة - مصر - تليفون : ٣٦١٠٠٩٣ - ٣٦١٠٠٩٤  
فاكس : ٣٤٩٦٧٨٧ - زاكى ٩٣٤٢٦ - MAHGOUB UN ٢٢٧٣٢ - ZAKI UN

## Arms Group Learns to Profit From Peace

Military-industrial complexes worldwide are having a difficult time adjusting to the new realities created by the ending of the Cold War. Many are beginning the painful task of adapting to civilian production to secure their future.

The Arab Organization for Industrialization (AOI), the arms group established by Egypt, Saudi Arabia, the United Arab Emirates and Qatar in 1975, is no exception. The tempestuous politics of the Middle East ironically played to

Egypt issued Law 30, which ruled that despite the boycott, AOI remained a going concern, with its status and the agreements signed between the four countries still valid.

The situation has not changed; Law 30 remains the legal basis for the organization's activities. AOI is a fully independent commercial operation based in Egypt, with an 18,500 strong work force. It has offshore status, a balance sheet denominated in dollars and a board chaired by a former chief of staff of the Egyptian Army, General Ibrahim el-Orabi. This board is answerable to a higher committee

headed by President Hosni Mubarak.

The peace treaty forced AOI to consider converting the military industries to peacetime uses, a trend confirmed by the winding down of the Iran-Iraq war a decade later.

The general faced a conundrum when in 1986 he took over the organization, a military-industrial complex incorporating nine plants centered on a vast compound outside Nasr City: how to marry needs with capabilities. AOI's assets include over 1,000 technicians, mostly trained by the French military; state-of-the-art equipment bought from Western suppliers; and the

original \$1 billion capital sunk into the venture when it was set up.

General Orabi decided to immediately apportion part of AOI's capacity to civilian production without interfering with military activities. Now it accounts for half of AOI's turnover.

A three-phase plan launched in 1988 involved initially concentrating on producing spare parts for local industry. The second phase involved moving from spare parts to medium and capital goods and major parts production. The third stage envisaged line production.

The first major departure from the script came in 1991, when AOI began discussing turnkey contracts to build sewage and water purification stations for the Ministry of Reconstruction and Development. Initially, AOI had provided mechanical parts for contracts supervised by foreign contractors.

"We proved ourselves," says General Orabi, and AOI now has contracts for 72 sewage stations and 95 water-purification stations. It has also secured turnkey contracts for three bottling lines for beer and soft drinks, a totally new departure, and General Orabi wants to develop other turnkey projects work at the expense of spare-parts production.

AOI will continue to supply spare parts to existing customers, however. These include the local textile industry and the Eastern Tobacco Company. It will also continue supplying specialized equipment to the steel industry. General Orabi is particularly proud of the sourcing system established with the Japanese-run Dikhaia steel works. Another focus is environmental issues, in par-



General Ibrahim el-Orabi, chairman of AOI.

ticular business generated by using funds dedicated to environmental projects from the international writedown of Egypt's debt. AOI is producing water purification and desalination filters and studying the removal of industrial waste.

AOI is also producing printed circuit boards and medical equipment for dialysis and other uses as well as a range of kitchen equipment, agricultural equipment, pumps and trailers, and tanks and vessels for the medical and chemical industries. Its furniture factory currently has a contract worth 9 million Egyptian pounds (\$2.69 million) to supply Egyptian schools.

AOI's one civilian joint venture with Chrysler, set up originally to produce Jeeps for the military, underwent a \$1 million retrofit in 1989 to produce the Wrangler Jeep, the long-chassis version of which went on sale in 1991. The standard 2.5 liter Cherokee station wagon was introduced in 1992 and other models are planned. General Orabi is also discussing building a saloon car with Chrysler.

AOI is not actively seeking joint ventures but is open to suggestions. Through its military affiliations, principally with France, and increasingly through its civilian operations, AOI supplies over 60 Western companies. A.M.

## Pipeline: The Safe Way To Transport Oil to Europe

The capacity of SUMED, the Suez-Mediterranean pipeline, is being increased to such an extent that its terminal at Sidi-Kreir is, according to some observers, acquiring status on the Mediterranean comparable to that of the oil storage and distribution port of Rotterdam.

"The future is in pipelines," says Mohammed Mebed, SUMED's chairman. He cites oil spillage accidents from oil tankers in Spain, Indonesia and off the coast of Shetland, as well as the Exxon-Valdez spillage from a floating storage facility in Alaska. All these resulted in major environmental threats.

He asserts that the trend toward transporting oil in a pipeline was given impetus by the Arab oil embargo of 1973, and it continues to be backed by persuasive arguments.

"The producers want oil to reach the consumers safely, quickly and cheaply," Mr. Mebed says. "The SUMED pipeline extends for 320 kilometers from Ain-Sukhna on the Red Sea to Sidi-Kreir, west of Alexandria on the Mediterranean."

"We are not competing

with the Suez Canal, but with the Cape," Mr. Mebed says, referring to the route around Africa from the Gulf to Europe, which takes a vessel almost twice as much time as the route through the Suez Canal.

Mr. Mebed explains that even though there are plans that will enable larger vessels to pass through the waterway, the canal will not be usable by large oil tankers of 500,000 tons, which SUMED's terminal at Ain-Sukhna can now accommodate after last year. In 1992, more than 80 million tons of crude were transported by the pipeline, whose capacity is being increased to 117 million tons at an investment cost of \$120 million.

Saudi oil accounts for a little more than half of the oil transported by SUMED. Seventy-five percent of the cargo is destined for Mediterranean ports, while 20 percent goes to northwestern Europe.

A project is under way

to develop the storage capacity of tanks at both ends of the pipeline, enabling Sidi-Kreir to develop as a distribution and storage center on the Mediterranean. This decision was based on the success of a two-year agreement with the Saudi marketing and distribution company Bolanter. SUMED's storage capacity is to be increased from 20 million barrels to 35 million.

A decision is imminent on a project to build an extension to the pipeline across the Gulf of Suez to Sinai, and across the Red Sea to the closest point on the opposite Arabian peninsula coast, running parallel to the Red Sea coast down to Yanbu, Saudi Arabia. Mr. Mebed says the project would cost \$2 billion and would involve the construction of a causeway with pipeline ducts under it from the Saudi coast to Sharm-El-Sheikh in Sinai, connecting with the pipeline on mainland Egypt. Oifaf El-Tohamey

### Cars produced by joint venture

AOI's advantage in forcing it to confront restructuring much earlier than its competitors. The organization was an early casualty of Egypt's separate peace with Israel when in 1979 the other partners boycotted the enterprise. To overcome the impasse,



**BALSAM**  
بالم

THE TOTAL SOLUTION

• Complete business communications solution with technology from



• Cost effective, high technology solution with



• **The Balsam Hotel Solution.**

A carefully planned system, combining hardware (computer, point of sale systems, & telephones) and software for Front & Back office activities from Nt, Acer,



## THE EGYPTIAN ADVANCED TECHNOLOGIES (BALSAM)

3, Osman Ibn Affan Str., Mohandeseen, Cairo - Egypt

Tel: 3443001 - 3447703/5 Telex: 22516 BALSAM UN Fax: 3447704

## GIZA CABLES CO.

JUST DELIVERED FIRST ORDER OF 66 K.V. X.L.P.E. CABLES TO EGYPTIAN ELECTRICITY AUTHORITY FOR THE FIRST TIME IN EGYPT AND IN THE MIDDLE EAST

GIZA CABLES CO. MANUFACTURES POWER CABLES:

- \* BARE CONDUCTORS
- \* L.V CONDUCTORS AND CABLES P.V.C. OR X.L.P.E. INSULATED
- \* M.V CABLES X.L.P.E. INSULATED
- \* H.V CABLES UP TO 132 KV X.L.P.E. INSULATED

STANDARDS:

- \* I.E.C., I.P.C.E.A., B.S.S., V.D.E.

HEAD OFFICE:

P.O. BOX: 184, ORMAN, GIZA - Tel.: 3610354 - 711797 - Fax.: 3610475

## NILE BANK

### OUR BANK FOR TOMORROW & TODAY

15 years of strength and improving profitability

authorised and paid up capital US \$40,000,000 fully subscribed by Egyptian individuals. The Bank deals in foreign currencies as well as Egyptian pounds.

THE NILE BANK COMPANIES

The Nile Bank, Companies, with an authorised capital 264.5 Million E.Pounds, in which the bank holds an average 24 % share are:

1. Nile Co. for Agricultural Industries.
2. Nile Co. for Printing and Packaging.
3. Nile Co. for Reconstruction.
4. Nile Co. for Agriculture and Food Industries.
5. Nile Co. for Manufacturing Building Materials.
6. Nile Co. for Metal Industries (SAMY).
7. Nile Co. for Fodders and Chicken.
8. Nile Co. for Projects and Trade.
9. Nile Co. for Money Exchange.
10. Nile Co. for Tourism.
11. Nile Co. for Chemical Industries and Modern Packaging.
12. Nile Co. for Investment & Development.
13. Nile Co. for Marketing.
14. Nile Co. for Storage & Crop Preparation.
15. Modern Arab Co. for Timber Industries (MATIN).
16. Cairo Investment & Development Co.
17. Mansoura Poultry Co.
18. Cairo Radiology Centre.

• Head Office  
• Cairo Branch  
• Heliopolis Branch  
• El Hegaz Branch  
• Airport Office

BANK BRANCHES

- Shoubra Branch
- El Mansourah Branch
- Soubhag Branch
- Domiat Branch
- Helwan Branch
- 15 May City Branch
- Maadi Branch
- Alexandria Branch
- Giza Branch
- Alex Harbour Office

ISLAMIC BRANCHES

- Tanta
- Mohandessine

MAIN OFFICE

35 Ramsis Street - Cairo - Egypt  
P.O. Box 2741 - Telex: 22344 - 20785 BANIL UN  
Tel.: 5741417 - 743502 - 749187 - 751105 - 753947 - Fax: 756296

## The Rewards of Reform

Continued from Page 7

so instrumental in enabling the dramatic improvement in the country's finances. The betting is that a new IMF agreement will be hammered out in the summer and that the first batch of privatized companies will be sold in the autumn.

Movement on the Middle East peace talks is also hoped for by the business community. Foreign Minister Amr Moussa puts his faith in a more proactive U.S. administration

breathing life into them and maintains that Israeli public opinion has evolved greatly in the past 20 years. But he adds: "We need serious negotiations, and we need a time frame."

As for the home front, Mr. Monssa points out that Egypt is no stranger to political Islam. "It was born here at the end of the 1920s," he says. "There have been many ups and downs, many complications with the Egyptian government before and after the Nasser revolution. Egyptian society, the Egyptian system, the Egyptian government have succeeded more than once in quelling this trend. And there is no reason for us to assume differently this time. We have a strong system. The country is old enough and mature enough to deal with such problems."

Abbas Zaki, a prominent businessman, sees the problem as one of unemployment. "Terrorism is committed by people without jobs," he says. "Once these young people see



Amr Moussa, Foreign Minister.

that they can realize their ambitions, they will be too busy to make a nuisance." How to square that circle and create an environment of confidence that allows building to continue on the foundations that have already been laid will preoccupy President Hosni Mubarak as he embarks on the last six months of his second presidential term. Alan Mackie

## MISR TRAVEL

YOUR GUIDE IN EGYPT Since 1934

MISR TRAVEL: The suitable name for Egypt. Once you remember our name, you don't have to worry any longer about your trip to Egypt.

- We provide all your travelling needs for business or leisure... conferences... romantic and relaxing
  - Nile cruises (floating hotels)
  - Packages to explore Upper Egypt.
  - Floating restaurants (Onyx & Topaz)
  - Professional multilingual guides
  - Comfortable accommodation.
  - Complete travel reservation.
  - 450 plush touring vehicles
  - Groups pr individuals.
  - Sightseeing in Cairo.
  - Diving trips at Magawish.
  - A resort on the Red Sea.
  - Furnished flats in Cairo and Alexandria
- ... need we say more!?

HEAD OFFICE

1 Taha Saad P.O. Box 1000 Cairo, Egypt  
Tel.: 393 0010 / 0077 / 0063  
Tlx.: 20771 or 22777 UN  
Fax: 392440

MISR TRAVEL OVERSEAS BRANCHES FAX NO.

New York - 2478142  
London - 012 25 1089  
Paris - 43 29 8739  
Tokyo - (03) 239 2242  
Rome - 460 522  
Frankfurt - 069 281 507  
Stockholm - (08) 663 3297  
Sydney - (02) 267 9351





ADVERTISING SECTION



## Strategy Begins to Lure Back Tourists

The worst of the downturn in tourism to Egypt now seems to be over. Encouraging signs are emerging, and the hope is that before the end of this year, Egypt's travel industry will resume its phenomenal growth and development. The number of American and British tourists increased in March by a modest but significant 3.5 percent and 3.4 percent respectively, compared with the same month in 1992. The drop has been severe. The average fall in the number of tourists over the six months to the beginning of April was 13 percent, according to statistics from the Ministry of Tourism and Civil Aviation. The decline started in October with the first terrorist operations targeting tourism.

Until then, tourism in Egypt was heading for a huge record, following a remarkable recovery from the impact of the Gulf War. In fact, despite the downturn in the fourth quarter, the number of tourists in 1992 was an unprecedented 3.2 million, an increase of 44.8 percent over the previous year.

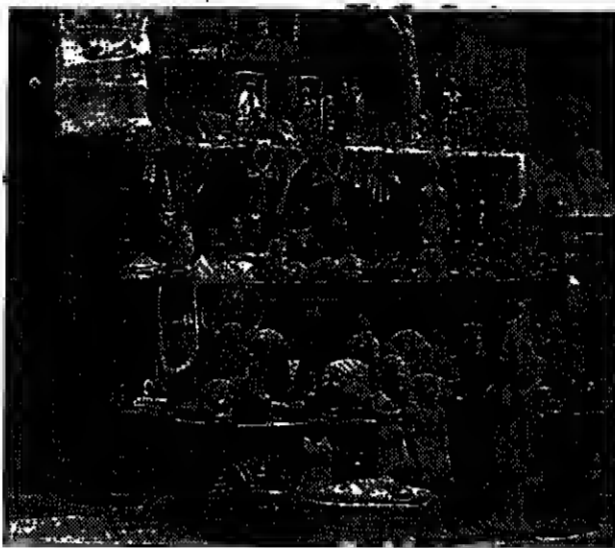
Travel industry representatives are encouraged by the fact that there have been no cancellations of conventions planned for this year and the next, although, they say, the outlook for the coming autumn and winter seasons remains bleak.

The wave of terrorist incidents seems to have subsided since the recent arrests of many alleged leaders, and many travel agents say they cannot rule out a quick recovery similar to that which followed the Gulf War. "I am confident that since arrests have been made, and if it remains quiet for a couple of months, the situation will improve. We might get a good start for the winter season in September," says Samir Halawa, chairman of Misr Travel.

Meanwhile, the Ministry of Tourism and Civil Aviation has appointed the international public relations firm Burson-Marsteller to help put in perspective the incidents that have affected tourism and to allay fears in Europe and the United States about safety and security in Egypt. Mr. Halawa says that if the situation remains calm, a multimillion-dollar campaign will be launched next August to promote Egypt as a tourist destination. O.T.



Cairo is famous for its unsurpassed museums (far left), its coffeehouses (above), its souvenir shops (below) and its architectural marvels, such as the new mosque being built (below right).



### ARAB INTERNATIONAL BANK

Head Office: 35 Abdel Khalek Sarwat, Cairo, Egypt.  
Telex: 92098 AIBEX UN Fax: 3916233

Your partner for Banking activities in Egypt and have correspondent in all continents

Capital	US	165 million
Reserves	US	92.4 million
Total Shareholders' Equity	US	258.9 million
Total Assets	US	2 506.9 million

The Bank's participations in productive, Commercial and financial projects

Hotel & Tourism	Financial Institutions & Banks	Medical Projects	Trading & Industrial Projects	Shipping Projects
US\$ 30.5 Million	US\$ 13.1 Million	US\$ 2.3 Million	US\$ 64.7 Million	US\$ 0.2 Million

Local Branches:

- Alexandria Branch: 2 El Horreya Avenue  
Telex: 54431 - 55457 - AIBLX UN
- Port Said Branch: 57 El Gomhoreya Street  
Telex: 63273 AIBPS US
- Tahrir Branch: 1113 Corniche El Nil Street, Cairo  
Telex: 20113 - 23112 AIBIR UN
- Heliopolis: 95A Merghani Street, Cairo  
Telex: 21718 AIBHL UN
- Mohandessin Branch: 60 Gueziret Al Arab St., Cairo.  
(Under establishment)

Foreign branch:

- Bahrain Branch: Diplomat Tower - Diplomatic Area  
Road No: 1705 - Block 317, Manama.

**GROWERS**  
**EXPORTERS**  
**OPERATORS**

PICO acts as a link between local and foreign investors seeking to create innovative joint ventures.

PICO provides the infrastructure and all services necessary to support sophisticated agricultural operations.

**PICO**  
Diab Agriculture Reclamation Company  
3, Shagaret El Dor St. Zamalek - Cairo, Egypt  
Tel.: 3404091 Fax.: 3412409

## New Products and Services in Egypt

- Arab American Vehicles is planning to double daily production at its Nasr City plant to around 15 units. A 4-liter Short Wrangler is being introduced in June, and the existing 2.5-liter Long Wrangler is being supplemented by a 4-liter version in October. A luxury 4-liter automatic-transmission version of the Cherokee is also being launched to supplement the standard 2.5-liter version that was introduced to the Egyptian market last year. AAV has signed a contract to assemble the Peugeot 405 starting in November or December, and negotiations are in hand to build a new Chrysler small car in Egypt. Start-up is slated for mid 1994, says the AAV's managing director, Richard Ott. The agency network is being expanded, and a new dealership will open later this year in Taba, bringing to nine the number of towns and cities with AAV service centers.
- Egyptian Cable Co. now produces high-voltage cable and has managed to secure half the domestic market for it. The group intends to continue growing by advancing up the technological ladder through in-house R&D, says Chairman Fayed Farid. Domestic demand for ordinary cable remains steady, and the order books are full.
- Investments & Securities Group, in association with Kidder Peabody, is establishing Egypt's first country fund. First closing for the \$50 million facility, which aims to attract investments from individuals, institutions and offshore funds, will be June or July. It will provide finance to underpin privatized companies and successful private companies in need of additional funding to expand or undergo a change in shareholding. A management company is being established in Cairo with project analysis capability to advise on investment and divestiture. Ahmed Foda, SIG's managing director, says: "What we are trying to offer is a window on Egypt."
- The Arab Organization for Industrialization is to introduce 16- and 20-inch television sets in Egypt later this year. AOI is currently assembling 4,000-5,000 14-inch sets a month under license to Samsung. Local content in television production is set to rise to 60 percent next year.
- Arab African International Bank is going back to basics, according to its new chairman, Fahd al Rashed. "We have to refocus, to follow through geographically on our strengths," he says. Egypt is the core, but "we also have a strong presence in Kuwait and a very good presence in the Gulf." The bank will be working to build a bridge between Egypt, Kuwait, the Gulf and Egyptian expatriates working there. The bank sees a role for itself as a financial intermediary specializing in consultancy, project finance and financial engineering. It may become involved in intermediation in the privatization process. In a second phase after privatization and the development of a stock market, Mr. Rashed is interested in developing trust management for Egyptian funds.

**KPMG Hazem Hassan**  
Accountants & Consultants

Serving Key Multinational Companies in Egypt

- Audits
- Market Research
- Financial Management
- Tax Advisory
- Feasibility Studies
- Information Technology
- Business Advisory
- Business Valuations
- Human Resources Development
- Company Formation
- Mergers & Acquisitions
- Management Training
- Pre-investment Studies
- Investment Advisory Services
- Executive Selection & Search

72 Mohi Eddin Aboul Ezz Street, Mohandessin, Cairo Egypt.  
Telephone: 3489588 - 3489677 / Telex: 3487224 - 3487819

There's Only One Jeep®..

**NOW**  
Produced in EGYPT

Jeep Cherokee 4 x 4  
Jeep Wrangler 4 x 4

For information concerning production and prices, please contact:

Arab American Vehicles Co.  
4.5 Km. Suez Road  
P.O. Box 2419 El-Horreya  
Heliopolis - Cairo - Egypt  
Tel.: (202) 2908730  
Fax: (202) 2903562  
Tlx.: 93791 AAV UN

THE DRIVING FORCE  
BEHIND EGYPTIAN EXPORT INCREASE

**EXPORT DEVELOPMENT BANK OF EGYPT**

Chairman: Dr. Hazim El Beblawi

Main activities:  
- Foreign Trade Finance & Refinance.  
- Finance & Promotion of Export oriented projects in Egypt.  
- Export Information Bank.

Besides usual Commercial Banking Activities

Paid-up capital: 69,000 million Egyptian Pounds

10, Talaat Harb St., (Evergreen Building) Cairo, Egypt  
Tel.: 777003 / 772303 / 768190  
Telex: 20850 / 20872 EDBE UN - Fax: (202) 774553

Branches:  
Alexandria: 95, 26 July St., Azarita  
10th of Ramadan City: Area 1, Building 3

**GLOBAL MARKETS**  
for Economic Pl...  
Mobilizes Current...

THE TRIBUNE INDEX

CURRENCY RATES

Handwritten signature or mark at the bottom center of the page.

## CAPITAL MARKETS

### Unclear Economic Picture Immobilizes Currencies

By Carl Gewirtz

International Herald Tribune

PARIS — The foreign-exchange market is locked in a strange stalemate. Gloom about the outlook for the Deutsche mark is pervasive, and yet the dollar remains incapable of staging the advance that virtually all analysts insist is waiting to happen.

The dollar ended last week at 1.6255 DM, the upper end of its 10-month trading range of 1.57-1.63 DM, but below the level of 1.625 DM needed to convince traders that a sustained recovery was under way.

At the same time, the Deutsche mark has weakened against every other major currency. The French franc ended the week at 3.3655 per DM, very near its central rate, while the pound at 2.52 DM and the lira at 907 per mark were at their best levels since leaving the exchange-rate mechanism last autumn.

**There is confusion about whether U.S. interest rates are poised to rise or fall.**

Some analysts argue that the dollar is restrained in Europe by its weakness against the yen. Trading at 110.30 yen, the dollar is near its historic low.

But the main constraint is confusion about the U.S. economy and whether interest rates are poised to rise or fall. Minutes of the Federal Reserve's policy-making committee in March, released late Friday, showed that two governors worried about implicit inflation voted to tighten policy. This appeared to lead support to the view that the Fed's next move will be to raise rates.

Paul Chertkov, London-based analyst at Union Bank of Switzerland, expects the dollar's advance to begin as soon as the Fed tightens policy. He forecasts a quarter-percentage increase in the overnight rate, currently 3 percent, "before September."

At the other end of the spectrum is Philip Braverman, U.S.-based economist at DKB Securities, who believes that "pessimism that inflation is taking hold should begin unraveling with a significantly weaker first-quarter growth report on Friday and other signs the economy is barely recovering."

He adds that "the Fed might still ease this summer in response to continuing economic weakness and subsidence of inflation."

On Friday, the Commerce Department is to issue its first revision of U.S. economic growth for the quarter ended March 31. In its initial estimate, the department reported that gross domestic product grew at a 1.8 percent annual rate.

Short-term interest rates continue to influence the exchange rate, with German rates still a substantial 4.25 percentage points higher than U.S. rates. Although German rates are expected to continue declining as the economy slips deeper into recession, there is now some doubt as to whether the Bundesbank will be forced to slow the pace of reduction due to renewed overshooting of money-supply growth and the stickiness of inflation at over 4 percent.

This means the interest-rate differential could remain strongly in favor of the Deutsche mark, preventing the dollar from moving up.

Within Europe, now that Denmark has ratified the Maastricht

See BONDS, Page 15

### EC Moves To Bolster Currency System

Compiled by Our Staff From Dispatches

KOLDING, Denmark — European Community finance ministers have approved a new rule book for the European Monetary System that they hope will prevent a repeat of the recent mayhem in the system's currency grid.

But the exchange-rate mechanism, improved or not, will be running without Britain for the foreseeable future. Britain's chancellor of the Exchequer, Norman Lamont, said at the meeting. He said the pound's return to the grid could take "two years or three years, or longer."

At weekend talks in this central Danish town, ministers and central bank governors admitted in effect that they had fallen down on the job last year in not recognizing in time that exchange rates had drifted seriously out of line with economic fundamentals.

To stop that from happening again they agreed to set up a warning system of confidential economic indicators intended to signal well in advance when a country needs to overhaul its economic policies.

If a warning light is flashing over a country's exchange rate, ministers will use peer pressure to bring a devaluation well before speculators can attack the vulnerable currency.

It remains to be seen whether governments will swallow their pride and let themselves be told when to devalue.

On paper, the procedures add up to a new start for the exchange-rate mechanism after a sorry nine months that saw the forced departure from the 14-year-old grid of Britain and Italy and repeated devaluations of the currencies of Spain, Portugal and Ireland.

However, the Kolding accord will not satisfy critics who believe the system is fundamentally flawed because it obliges member countries to keep their interest rates as high as those in Germany, the system's linchpin, even if they are in recession, as is the case here.

(Reuters/Bloomberg)

### Microsoft Puts In New Windows

By John Burgess

Washington Post Service

WASHINGTON — After five years of labor, Microsoft Corp. on Monday will launch a product crucial to its hopes to remain the dominant force in the \$7 billion-a-year American industry for personal computer software.

It is a flashy program called Windows NT, for New Technology. Designed for the most powerful desktop units, it is a lavish expansion of the company's best-selling Windows software — and cause for competitors to fear it will make a huge company even bigger.

Microsoft's chairman, William Gates, will unveil the \$495 program at the Comdex computer show in Atlanta. The first commercial copies will be available within 60 days.

In its current form, Windows is widely viewed as an unwieldy creation, in which graphics were awkwardly slapped on top of the aging MS-DOS operating system. NT marks a complete rewrite of the package, with operat-

ing system and graphics combined to control such basic computer functions as starting and stopping programs, creating and copying files, and sending signals to printers and monitors.

The company is playing down NT, saying it is not a replacement for Windows 3.1, the current version that is selling at 50,000 copies a day. Rather, it is a specialized product aimed at corporations where people use the most powerful PCs tied into networks.

Still, the industry's standard pattern is that the advanced computer that only a Fortune 500 company can afford today is what the ordinary user buys a few years later. If that occurs again, NT and its successors might become a new world standard, bringing billions of dollars in sales to Microsoft.

NT also advances the company into markets it so far has largely left alone, such as communications among computers, data security, corporation-wide computing and the ability to run multiple programs at once. It will be in head-on competition with other

operating systems, notably International Business Machines Corp.'s OS/2 and the many forms of an operating system known as Unix. "Unix vendors are scared. They're shaking in their boots," said Rikki Kirzner, principal analyst at the market research firm Dataquest Inc.

With sales of \$2.8 billion last year, the Redmond, Washington-based company is by far the largest in its industry. Most of the world's 100 million-plus IBM-compatible PCs use its operating system.

Early testing of NT has turned up bugs, as is common in a program as complex as this one — it will require a staggering 70 million characters of space on a computer's storage device. And some analysts say its features are not as strong as those of some competitors.

Despite any problems, said Jay Batson, an analyst at Forrester Research Inc. of Cambridge, Massachusetts, "they're going to sell a lot of it just because they're Microsoft." Mr. Gates has predicted that 800,000 to 1 million copies will go out the door in the first year.

### Alliance Chips Away at Intel's Lead

By Steve Lohr

New York Times Service

AUSTIN, Texas — At first, the names on the conference rooms seem merely quirky: Damberton, York and Edinburgh. Maybe the boss got carried away after a summer vacation in Britain. But walk along the tree-lined atrium, up a flight of stairs to the larger meeting rooms, and the clues on the doors get stronger: The Gorpe, The Evil Lair.

The names are from Arthurian legend. And the 300 designers here from International Business Machines Corp., Motorola Inc. and Apple Computer Inc. who are trying to transform the computer-chip business have dubbed their make-or-buy program "Somerset" — after the English county where the knights of the Round Table gathered at Camelot, put aside their differences and set off in pursuit of the Holy Grail. "It seemed appropriate for what's going on here," explained Bill Gouin, an Apple designer.

The three companies are chasing the high-tech equivalent of the grail: a new standard for the computer industry. Technological standard-setters hold the power and reap the biggest profits in the computer industry.

And while IBM, Motorola and Apple are powerhouses, others possess the dominant standards in hardware and software. Intel Corp. rules the market for microchips, which serve as the "brain" of personal computers, and Microsoft Corp. sets the standard in operating-system software, which controls the basic functions in personal computers.

The goal in Austin is strikingly ambitious. Over the next year or so, the young designers will try to develop a family of leading-edge chips built around a similar design, or architecture.

Sample shipments of the first offering, called the Power PC chip, are already being produced. Apple says it will build one million machines around the chip next year, IBM plans to put it in workstation later this year, and a half dozen other computer makers are experimenting with it.

Three other generations of the chips are under development, with samples expected to be ready later this year or next year.

"We see this chip architecture being pervasive by the end of this decade and into the next century," said Thomas George, president of Motorola's semiconductor products division.

For computer users, new generations of powerful chips like the Power PC and Intel's recently introduced Pentium have the must-

ple to open the way to new uses like sending images and moving pictures, speech recognition and two-way communication. They run more than twice as fast as today's fastest chips, and even faster models are waiting in the wings, a few years ahead.

Intel holds a huge lead in this race, not because of its technology but because it is today's standard-bearer. Most of the 100 million personal computers now in use run on Intel's chips, and mountains of software have been written to run on those chips.

Most of the leading personal computer makers — Compaq, Dell, Gateway, AST, even IBM — will be offering machines with Intel's Pentium later this year.

For its part, Apple, an industry pioneer with fervently dedicated customers, nonetheless finds its Macintosh machines dwarfed by the producers of personal computers that run on Intel microchips.

If the Somerset effort succeeds and more computer makers adopt the chip architecture that Apple's machines use, the company would find a much broader market for its real strength — the software that makes Apple machines easy to use. And analysts see software as Apple's best hope.

See CHIP, Page 15

personal computer business and chose Intel as its supplier instead of Motorola. Today, Motorola's microprocessors go into Apple machines, a sizable niche business, but the Intel-standard chips run about 85 percent of personal computers.

IBM and Apple, which unlike Motorola are pure computer companies, have far more at stake. They could become mere assemblers of machines based on technologies supplied by Intel and Microsoft. "Unless IBM and Apple can pull this off, they are doomed forever to low, commodity profit margins in their basic business," said Richard Shaffer, a Technology Partners, a New York consultant.

For its part, Apple, an industry pioneer with fervently dedicated customers, nonetheless finds its Macintosh machines dwarfed by the producers of personal computers that run on Intel microchips.

If the Somerset effort succeeds and more computer makers adopt the chip architecture that Apple's machines use, the company would find a much broader market for its real strength — the software that makes Apple machines easy to use. And analysts see software as Apple's best hope.

See CHIP, Page 15

### Aga Khan's Problems Linked to Upheaval in Italy

By Roger Cohen

New York Times Service

PARIS — With his thoroughbred horses and luxury Sardinian resorts, friends like Giovanni Agnelli of Fiat SpA and his appetite for the finest yachts, the Aga Khan has long been a symbol of wealth. Indeed, *ricco come l'Aga Khan* — rich as the Aga Khan — is a frequent heard expression in Italy, the country where he has concentrated much of his business.

But, in a striking illustration of the severity of Europe's recession and the fracturing of Italy's close-knit business establishment, even the Aga Khan has come unseated. Creditors which moved last Friday to seize the assets of his publicly traded Italian holding company after it failed to service its mounting debt.

For the leader of the more than 15 million Shia Imam Ismaili Muslims, a man with the discreet air that old money bestows, the banks' decision amounted to an extraordinary public humiliation. His personal wealth has been estimated at about \$1.4 billion and just five years ago his investments in the Costa Smeralda resort in Sardinia and the prestigious Ciga hotel chain were being widely hailed as extremely shrewd.

"The Aga Khan has made a series of bad business decisions in recent years, plying investment into luxury hotels at a time when fewer and fewer people had the money to stay in them, and now he is paying the price," said Isidoro Albertini, a broker at the Milan stock exchange, where trading in the Aga Khan's companies was suspended on Friday.

The Aga Khan has made no comment on his difficulties.

The undoing of this Harvard-educated man — sometimes known as Prince Karim — amounts to a cautionary tale in the vicissitudes of doing business in Europe when recession has proved longer and far more severe than any economist had predicted.

It also underscores the particular difficulties of Italy, where the lira has lost more than 40 percent of its value against the dollar over the past nine months amid political and economic disruption so severe as to be frequently compared to a revolution.

It was in 1962, five years after taking over from his grandfather as leader of the Ismaili Muslims, that he embarked on a major investment that led to the development of the

then-deserted rocky northeast coast of Sardinia into a luxury resort that became known as the Costa Smeralda.

The resort was successful, earning the reputation of a millionaire's playground, and was followed by the complementary acquisition of a Sardinian airline. But it was in the midst of the boom of the 1980s that the Aga Khan made his major Italian investment, buying the Ciga hotel chain.

Ciga is a special name in Italy, redolent of luxury in much the same way as Tiffany's in New York. Its jewels include the Danicelli Hotel in Venice and the Grand in Rome.

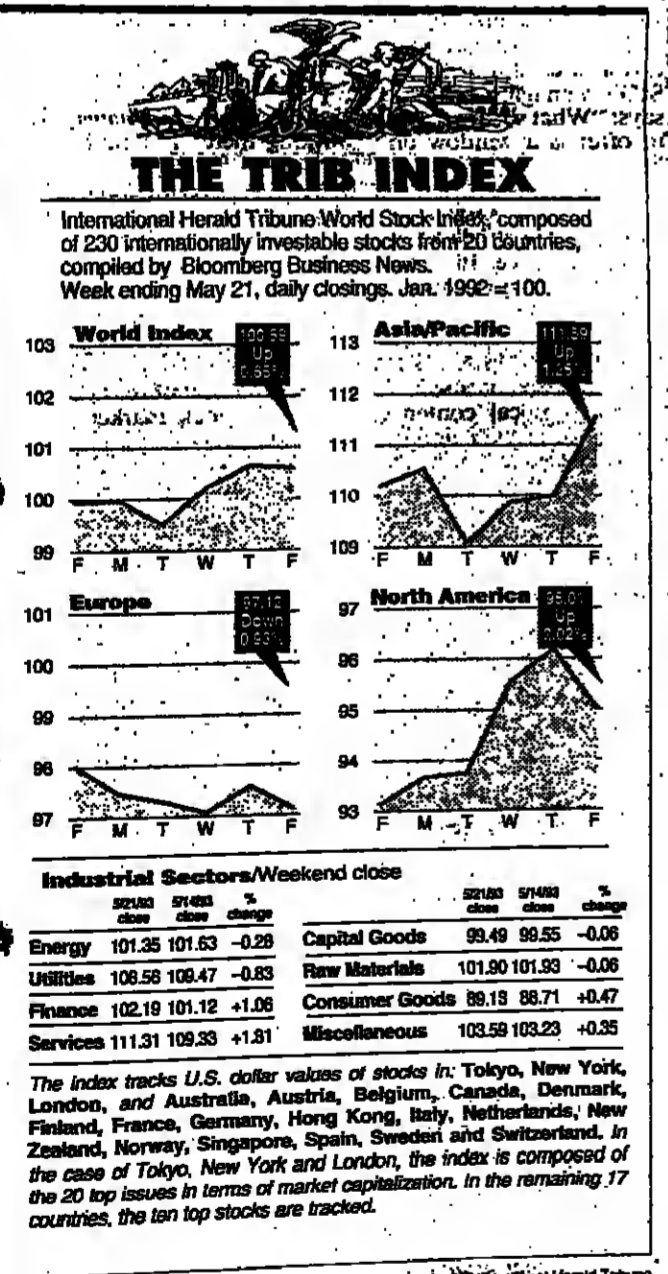
Determined to build on this unique franchise, the Aga Khan embarked on an ambi-

tioned project to acquire the Danicelli Hotel in Venice and the Grand in Rome.

Mr. Steinkühler has admitted the transactions but says he was not acting on insider knowledge. He bought the shares just before Daimler announced a share swap plan with Mercedes.

Mr. Pöhl, said in an interview with the West-Im Sonntag newspaper: "As a private individual I am convinced that Steinkühler was in the know."

See PRINCE, Page 15



## CURRENCY RATES

Cross Rates	May 21	Per 100
American \$	1.6255	100.00
British pound	0.7750	100.00
French franc	6.5596	100.00
German DM	1.6255	100.00
Japanese yen	110.30	100.00
Swiss franc	1.4850	100.00
Other Dollar Values <th>Per 100</th> <th>Per 100</th>	Per 100	Per 100
Argentine peso	1600.00	100.00
Australian \$	1.4850	100.00
Canadian \$	0.7750	100.00
Chinese yuan	8.2750	100.00
Denmark krone	6.5596	100.00
East German mark	1.6255	100.00
HK dollar	7.7500	100.00
Indian rupee	45.0000	100.00
Italian lira	2036.27	100.00
Japanese yen	110.30	100.00
South African rand	13.2500	100.00
Spanish peseta	166.6400	100.00
Thai baht	50.0000	100.00
West German mark	1.6255	100.00
Yugoslav dinar	20.0000	100.00

#### Forward Rates

Currency	30-day	60-day	90-day	120-day	150-day	180-day
British pound	1.5440	1.5404	1.5371	1.5342	1.5317	1.5292
French franc	6.5596	6.5596	6.5596	6.5596	6.5596	6.5596
German DM	1.6255	1.6255	1.6255	1.6255	1.6255	1.6255
Japanese yen	110.30	110.30	110.30	110.30	110.30	110.30

Source: ING Bank (Amsterdam); Industrial Bank (Brussels); Citicorp Commercial Bank (Tokyo); American France Press (Paris); Bank of Tokyo (Tokyo); Royal Bank of Canada (Toronto); IMF (ISRI). Other rates from Reuters and AP.

### Milan Notebook

#### Executives Try Other Bars

One of Milan's increasingly frequented business addresses is the imposing red fortress on Piazza Gaetano Filangieri known as San Vitore, after the church within its fortified walls. Not an exclusive, which some 230 top politicians and businessmen have passed since operation *mani pulite*, or clean hands, began wiping Italian public life clean of corruption a year ago.

Inside, San Vitore's white-collar guests report grime, peeling paint and dim lighting. One prisoner who kept a diary of his experiences remarked that cleaning his cell left him feeling "personally clean," if not innocent of allegations that he took bribes related to the construction of a Milan rail route.

On arrival at the prison, which is just around the corner from a Museum of the Inquisition, detainees get booked and photographed and visit a doctor and psychologist before being shown to their rooms. Cells measure 2.5 meters by 4 meters (8.25 feet by 13.2 feet) and come furnished with a television, radio, bed, table and stool. Visitors are allowed four times a month, telephone calls home twice a month for a maximum of six minutes each. Prison food is said to be filling, but guests can buy up to five kilograms (11 pounds) of groceries a week and make simple meals themselves.

Luigi Pagano, the prison director, said he had "lost count" of how many guests related to the bribery scandal were inside the walls Friday, but said the average at any given time had risen to 20 from 10 around the beginning of the operation. The prison was built in the last century to house about 800 inmates, but currently has more than 2,000, meaning cells sometimes have to be shared.

Among Friday's guests was Giorgio Scamavacca, managing director of Siemens AG's Italian operations, who was arrested last Wednesday.

Average detainees stay from a few days to three months. Executives held in the bribery scandal, all of whom have been served with an *ordine di garanzia*, or notice that they are being investigated, are released when they agree to confess and cooperate.

ful, rich and famous. "We can't wait for the magistrates to find someone guilty," said Giacomo Colombo, editorial director of Who's Who in Italy, which will have up to 400 fewer names in its next edition as a direct result of the bribery investigation.

"We don't want to run the risk of recommending you meet someone you might be better off not meeting. We only include people who act in a way that is representative for our country," Mr. Colombo explained, noting that many readers used the book to seek contacts in government and business.

Among those eliminated from the 1994 edition, which will be available in December, are Bettino Craxi, former prime minister and leader of the Italian Socialist Party, and Severino Citaristi, who for years held the purse strings of Italy's most powerful party, the Christian Democrats. "He had 22 notices of investigation!" Mr. Colombo said.

New in the edition will be Francesco Saverio Borrelli, Antonio di Pietro, Gherardo Colombo and other Milan magistrates who led the investigations.

#### A Case of When in Rome, Don't

Hayao Nakamura will be another new addition to Who's Who. The Japanese manager of Iva, an Italian steel company, is a long-time resident of Italy but has apparently never felt comfortable "doing as the Romans do," in a letter to Iva employees. Mr. Nakamura urged workers to "think Japanese."

"Work always demands use of the head, even for tasks for which the hands seem sufficient. I wish that here there were participation on the part of everyone, but especially on the part of those with the most responsibility," he wrote.

Mr. Nakamura criticized various "episodes of negligence," called Iva's recent management "insufficient" and demanded changes. Noting that Iva is owned by the state, Mr. Nakamura said employees should treat the company "as if it were your own home," adding, "I want our house to be in order, our conscience satisfied and our minds awake."

Though the European Community agrees that Iva is wasteful — last week it ordered Italy to reduce its subsidies to the company — it is unclear whether Iva's employees will respond positively. Some already call him "the Martian" because of the foreign nature of his management style.

Brandon Mitchener

#### Who's Who Notes Who Isn't

Italy's wheels of justice might turn slowly but Who's Who acts fast in eliminating names of former prominent figures from its guide to the country's power-

### Definitely not for the quiet life

Omega Speedmaster Professional. Chronograph in steel with engraved inscription "The First Watch Worn on the Moon" on the case back. Water-resistant. Swiss made since 1848.

Ω OMEGA The sign of excellence

WEEKLY INTERNATIONAL BOND PRICES

Provided by Credit Suisse First Boston Limited, London. Tel: 322 40 00. Prices may vary according to market conditions and other factors. May 21

Dollar Straights

Issuer Con Mat Price Yld Yld Trv

Governments/Supranationals

Table of bond prices for governments and supranationals, including issuers like US Gov, UK Gov, and various international entities.

Table of bond prices for various international issuers, including France, Germany, and others.

Table of bond prices for various international issuers, including Japan, Italy, and others.

Banks & Finance

Table of bond prices for banks and financial institutions.

Global Corporates

Table of bond prices for global corporations.

Table of bond prices for various international issuers, including Australia and others.

High Yielding Debt

Table of bond prices for high yielding debt.

Floating Rate Notes

Issuer & Mat Price Yld Yld Trv

Canadian Dollars

Issuer & Mat Price Yld Yld Trv

Deutsche Marks

Issuer & Mat Price Yld Yld Trv

Table of bond prices for Dollar Zeros.

Yen

Issuer & Mat Price Yld Yld Trv

Dollars

Issuer & Mat Price Yld Yld Trv

Pounds

Issuer & Mat Price Yld Yld Trv

Table of bond prices for Yen.

Dollars

Issuer & Mat Price Yld Yld Trv

Pounds

Issuer & Mat Price Yld Yld Trv

Table of bond prices for Dollars.

Pounds

Issuer & Mat Price Yld Yld Trv

Table of bond prices for Pounds.

Dollars

Issuer & Mat Price Yld Yld Trv

Table of bond prices for Dollars.

Pounds

Issuer & Mat Price Yld Yld Trv

Table of mutual fund prices, including various equity and bond funds.

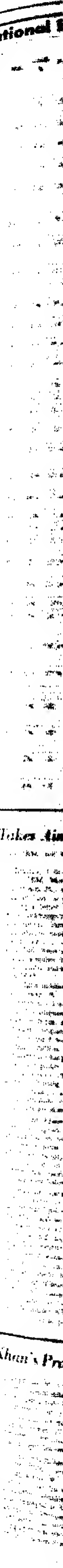
MUTUAL FUNDS

Figures as of close of trading Friday, May 21.

Table of mutual fund prices, including various equity and bond funds.

Table of mutual fund prices, including various equity and bond funds.

Table of mutual fund prices, including various equity and bond funds.



New International Bond Issues

Table with columns: Issuer, Amount (millions), Mat., Coup. %, Price and yield, Terms. Includes Floating Rate Notes, Fixed-Coupons, and Equity-Linked.

At Fed, Some Call for Higher Interest Rates

By Steven Greenhouse

WASHINGTON — Two Federal Reserve governors called for raising interest rates...

The release of the report of the Federal Open Market Committee...

According to the official summary of the March 23 meeting...

But a majority of the committee, including the Fed chairman...

That optimism was certainly reduced by April figures showing...

The Fed is not scheduled to release its summary of Tuesday's meeting until early July...

Many economists say that despite the recent news on inflation...

Over the past several weeks, new fears of inflation have surfaced...

Against a backdrop of sluggish growth, "it is difficult to find reasons to justify a Fed tightening..."

But some economists say the Fed committee might have adopted a tilt toward higher rates.

U.S. CREDIT MARKETS

could raise rates immediately, Mr. Strauss said. In interviews and speeches in recent weeks...

prices, to 4.2 percent over the last seven months, from 2.7 percent over the previous six.

Some Fed officials say the economy is at a crossroads, with the Fed having to make sure that inflation continues heading toward 2 percent...

If inflation were to climb to that level, central bank officials fear, long-term bonds could jump to 10 percent in month and up 1.5 percent year-over-year.

Paris French consumer price index. Forecast: Up 0.2 percent in month, up 2.2 percent in year.

Berlin Bundesbank director Hans Eichel says the Fed's 3 percent overnight interest rates were somewhat lower than the inflation rate.

Washington Supreme Court hands down opinions and orders. Mexico City: The government will unveil the rates for sale of state-owned media assets...

May 27 Moscow Two-day international finance conference. Frankfurt: Second reading of the fiscal package...

May 28 Washington National Association of Realtors releases existing home sales for April...

May 29 Washington Commerce Department reports first revision of economic growth for the first quarter...

May 30 Washington Technology Association of Manufacturing Technology reports corporate profits for first quarter.

The Week Ahead: World Economic Calendar, May 24 - 28

A schedule of the week's economic and financial events, compiled for the International Herald Tribune by Bloomberg Business News.

Asia-Pacific: May 24 Wellington New Zealand merchandise trade figures for April.

Europe: May 24 Madrid Debate between Felipe Gonzalez of the Socialist party, and Jose Maria Aznar of the opposition...

May 25 Hong Kong French industry minister Gerard Longuet speaks at the Foreign Correspondents Club.

May 26 Canberra Prime Minister John Howard says the economy is doing well.

May 27 Canberra Australian corporate profits for March quarter.

May 28 Hong Kong Provisional merchandise trade figures for April.

May 29 London British first-quarter gross domestic product.

May 30 Copenhagen Danish April consumer price index.

May 31 London British first-quarter gross domestic product.

May 31 London British first-quarter gross domestic product.

May 31 London British first-quarter gross domestic product.

May 31 London British first-quarter gross domestic product.

May 31 London British first-quarter gross domestic product.

May 31 London British first-quarter gross domestic product.

May 31 London British first-quarter gross domestic product.

May 31 London British first-quarter gross domestic product.

May 31 London British first-quarter gross domestic product.

May 31 London British first-quarter gross domestic product.

CHIP: Alliance Takes Aim at Intel

(Continued from first finance page)

a way to prevent itself from being pulled into the personal-computer price wars with the likes of Compaq, Dell and IBM.

But the chip effort in Austin means the most to IBM. It is at the center of IBM's strategy to remain a giant company, recover financially and regain control of its technological future.

"The effort behind the Power PC chip and the related chips is critical to IBM's future and possibly to its survival," said Charles Ferguson, a consultant in Cambridge, Massachusetts.

The chips under development at Somerset will be the core for the full range of IBM offerings, from handheld computers able to recognize spoken or written commands to the biggest machines.

RISC is a newer approach to microprocessor design than Intel's technology, which is known as complex-instruction-set computing or CISC.

The industry's technology experts are impressed with the chip, codenamed 601. Smaller than the fingernail on an adult's pinkie, packed with 2.8 million transistors, the Power PC chip is about half the size of Intel's new Pentium chip...

Mike Becker, a Motorola designer, said the alliance was focused on Intel. "Intel is the competitor — not IBM, not Apple, not Motorola."

Because of its big-league backing from IBM, Motorola and Apple, the Power PC, while an underdog against Intel, is widely regarded as having a better chance than other RISC offerings from MIPS, Digital Equipment, Hewlett-Packard and Sun Microsystems...

For the Power PC to succeed, everyone agrees, Microsoft must declare that its next-generation operating system, Windows NT, which will be introduced Monday, will run on the Somerset chip.

BONDS: Fuzzy Economic Picture

(Continued from first finance page)

coupon currency units carried a rate of 6.75 percent and were offered at 100.056 for a yield of 6.73 percent.

Denmark is using the proceeds to prepay an issue that was supposed to mature in 1996 on which annual interest is set at 6.25 percent.

At the offering terms, the new Danish paper was yielding 10 basis points less than British paper — a level deemed inadequate as Denmark is a double-A-rated credit while Britain is triple-A.

The lead manager, Morgan Stanley, argued that comparisons between the two are not relevant because the British paper is trading at a premium, unpopular with investors.

To clear up the role of the Ecu as the future single European currency, European bond analysts elicited statements from the EC Commission and the Danish government...

These statements confirm that after final ratification of the Maastricht treaty the Ecu's currency composition will be frozen, meaning the number of marks and other currencies making up one Ecu will not change.

FRANKFURT — Volkswagen AG has rejected allegations that it has accepted, Jose Ignacio Lopez de Arriortua, state documents from Adam Opel AG, a General Motors unit.

GM announced Friday that a criminal complaint had been filed alleging theft by Mr. Lopez, who left GM in March to join VW.

Another hallmark of the Margaret Thatcher era, an unrivaled openness to foreign investment, has also paid off.

Euromarkets At a Glance

Another gain of the Thatcher years is far more controversial. It is the government's attempts to slash the cost of labor by taking an axe to...

Eight months ago we could not even hold a candle to them," said Perry O'Flynn, managing director of the U.K. plant.

What has changed is a new operating plan inspired by such Japanese concepts as just-in-time production and teamwork.

"What British industry needs to do is to challenge every principle it has used in the past," he said.

Among them is the deeply ingrained British principle of class distinctions and hierarchies.

At Hartstone there is now a recognition that workers have much to contribute to improving the way the plant is run.

Another gain of the Thatcher years is far more controversial. It is the government's attempts to slash the cost of labor by taking an axe to...

Eight months ago we could not even hold a candle to them," said Perry O'Flynn, managing director of the U.K. plant.

What has changed is a new operating plan inspired by such Japanese concepts as just-in-time production and teamwork.

"What British industry needs to do is to challenge every principle it has used in the past," he said.

Euromarkets At a Glance

Another gain of the Thatcher years is far more controversial. It is the government's attempts to slash the cost of labor by taking an axe to...

Eight months ago we could not even hold a candle to them," said Perry O'Flynn, managing director of the U.K. plant.

What has changed is a new operating plan inspired by such Japanese concepts as just-in-time production and teamwork.

"What British industry needs to do is to challenge every principle it has used in the past," he said.

Among them is the deeply ingrained British principle of class distinctions and hierarchies.

At Hartstone there is now a recognition that workers have much to contribute to improving the way the plant is run.

Another gain of the Thatcher years is far more controversial. It is the government's attempts to slash the cost of labor by taking an axe to...

Eight months ago we could not even hold a candle to them," said Perry O'Flynn, managing director of the U.K. plant.

What has changed is a new operating plan inspired by such Japanese concepts as just-in-time production and teamwork.

"What British industry needs to do is to challenge every principle it has used in the past," he said.

MUTUAL FUNDS

(Continued)

Table with columns: Bid Ask, Fund Name, Yield, etc. Lists various mutual funds like FLMAB, FTFBI, GIBLX, etc.

Table with columns: Bid Ask, Fund Name, Yield, etc. Lists various mutual funds like FLMAB, FTFBI, GIBLX, etc.

Table with columns: Bid Ask, Fund Name, Yield, etc. Lists various mutual funds like FLMAB, FTFBI, GIBLX, etc.

Table with columns: Bid Ask, Fund Name, Yield, etc. Lists various mutual funds like FLMAB, FTFBI, GIBLX, etc.

Table with columns: Bid Ask, Fund Name, Yield, etc. Lists various mutual funds like FLMAB, FTFBI, GIBLX, etc.

Table with columns: Bid Ask, Fund Name, Yield, etc. Lists various mutual funds like FLMAB, FTFBI, GIBLX, etc.

Table with columns: Bid Ask, Fund Name, Yield, etc. Lists various mutual funds like FLMAB, FTFBI, GIBLX, etc.

Table with columns: Bid Ask, Fund Name, Yield, etc. Lists various mutual funds like FLMAB, FTFBI, GIBLX, etc.

Table with columns: Bid Ask, Fund Name, Yield, etc. Lists various mutual funds like FLMAB, FTFBI, GIBLX, etc.

Table with columns: Bid Ask, Fund Name, Yield, etc. Lists various mutual funds like FLMAB, FTFBI, GIBLX, etc.

PRINCE: Aga Khan's Problems Reflect Those in Italy

(Continued from first finance page)

plunged as the recession took hold. Where businessmen had been happy to spend over \$300 a night for a hotel room, they started to balk.

But the expansion came at the price of mounting debt. An ill-fated decision to invest heavily in existing Italian hotels at the time of the 1990 World Cup soccer tournament exacerbated the problem.

Last Week's Markets

All figures are as of close of trading Friday.

Table with columns: Stock Indexes, Money Rates, etc. Lists market data for various countries.

Table with columns: Stock Indexes, Money Rates, etc. Lists market data for various countries.

Money Rates

Table with columns: United States, Discount rate, Prime rate, etc.

Table with columns: United States, Discount rate, Prime rate, etc.

Table with columns: United States, Discount rate, Prime rate, etc.

Libor Rates

Another gain of the Thatcher years is far more controversial. It is the government's attempts to slash the cost of labor by taking an axe to...

Table with columns: 1-month, 3-month, 6-month, 1-year, etc.

Table with columns: 1-month, 3-month, 6-month, 1-year, etc.

Table with columns: 1-month, 3-month, 6-month, 1-year, etc.

Table with columns: 1-month, 3-month, 6-month, 1-year, etc.

Table with columns: 1-month, 3-month, 6-month, 1-year, etc.

Table with columns: 1-month, 3-month, 6-month, 1-year, etc.

Table with columns: 1-month, 3-month, 6-month, 1-year, etc.

Table with columns: 1-month, 3-month, 6-month, 1-year, etc.

Table with columns: 1-month, 3-month, 6-month, 1-year, etc.

Table with columns: 1-month, 3-month, 6-month, 1-year, etc.

Table with columns: 1-month, 3-month, 6-month, 1-year, etc.

MUTUAL FUNDS

Table of mutual fund prices and performance. Columns include fund name, bid/ask prices, and change. Includes sub-sections for 'Mutual Funds' and 'Mutual Funds (Continued)'.

NASDAQ NATIONAL MARKET

OTC Consolidated trading for week ended Friday, May 21.

Table of OTC Consolidated trading for week ended Friday, May 21. Columns include stock symbol, bid/ask prices, and change.

Table of OTC Consolidated trading for week ended Friday, May 21. Columns include stock symbol, bid/ask prices, and change.

Table of OTC Consolidated trading for week ended Friday, May 21. Columns include stock symbol, bid/ask prices, and change.

Table of OTC Consolidated trading for week ended Friday, May 21. Columns include stock symbol, bid/ask prices, and change.

Large advertisement on the right side of the page, featuring the word 'SPORT' and 'Wonders are Off Sleep'.



السؤال الثاني

MONDAY SPORTS

AUTO RACING

Islanders Stave Off A Sweep

The Associated Press UNIONDALE, New York — Glenn Healy's goaltending and Patrick Flatley's gutsy performance kept the Islanders alive in the Stanley Cup playoffs.

STANLEY CUP

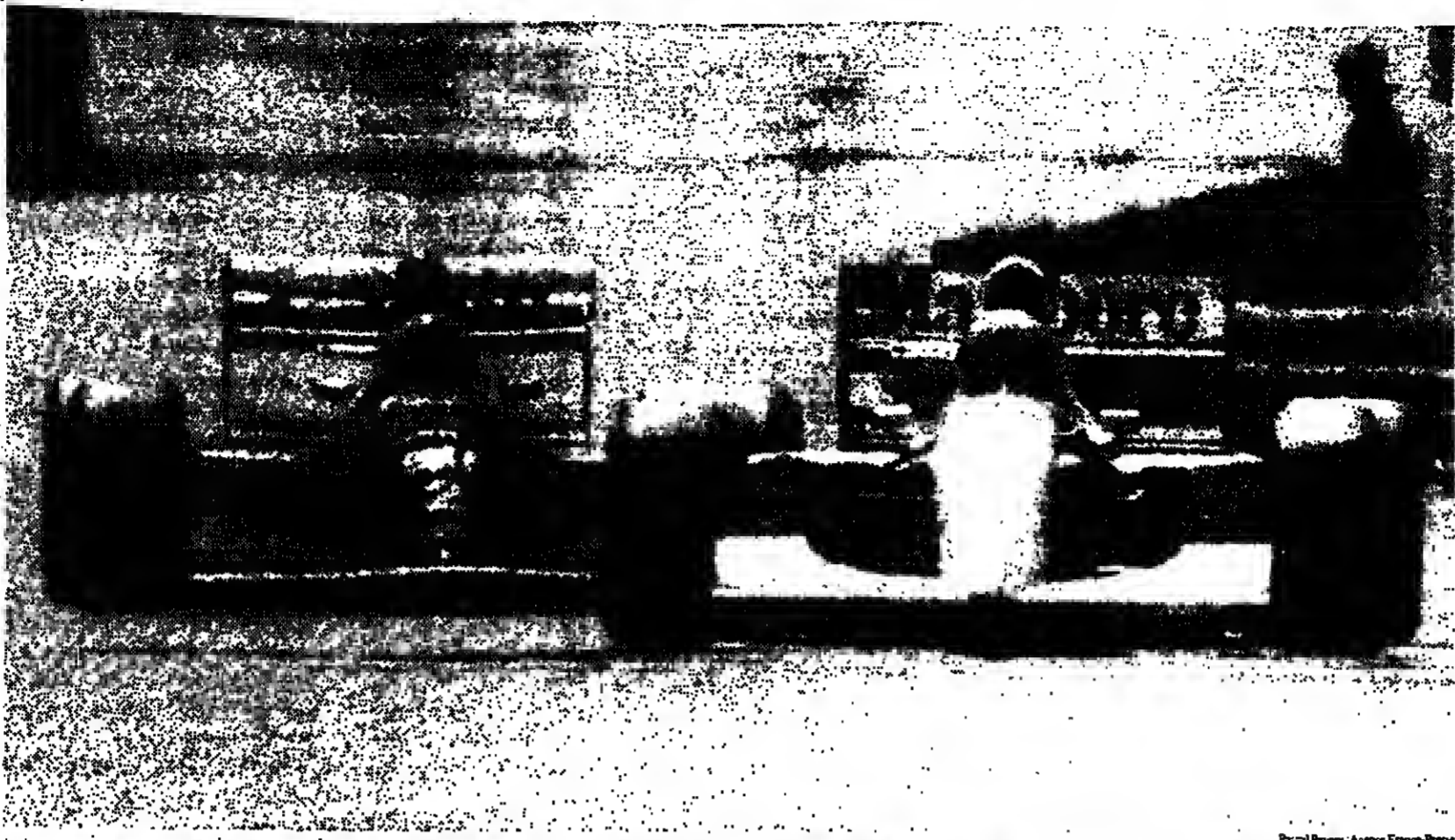
Islanders coach Al Arbour said after Flatley's game-winning helped New York avoid playoff elimination with a 4-1 victory over the Montreal Canadiens on Saturday.

That goal, combined with Healy's goaltending and a terrific job from the defense, kept the Islanders alive for at least one more game in the Wales Conference final of the National Hockey League.

Healy's biggest save of the night came late in the first period, when he made a diving glove save off a point-blank shot by Denis Savard.

After Flatley scored, the Islanders wrapped it up with goals by David Volek and Benoit Hogue.

With Luc Robitaille in the penalty box to start the final period, Taylor picked up the puck along the boards at center ice.



Ayrton Senna of Brazil, right, overtook Alain Prost of France both on the track and in the drivers' standings on Sunday. In trouble most of the day, Prost finished fourth.

Senna Wins 6th Monaco Prix

MONTE CARLO — Ayrton Senna won a record sixth Monaco Grand Prix on Sunday after the early leader, Alain Prost and Michael Schumacher, got into trouble on and off the track.

Senna, in a McLaren-Ford, won by 52.118 seconds over Damon Hill of Britain in a Williams-Renault. Jean Alesi of France was third in a Ferrari.

Senna took the lead in the drivers' standings for the season with 42 points. Prost has 37.

Prost started on the pole position but moved before the green light. On the eighth lap, race officials announced that he would be penalized 10 seconds for the anticipated start.

Senna, Hill and Monaco: Roaring Through the Ghost of a Winner Past

By Ian Thomsen

MONTE CARLO — He looked like he wasn't paying attention to anybody, slumped as he was, Champagne-sticky in a plastic chair, caressing his left thumb coated in dirty white tape.

Senna has now won the Monaco Grand Prix more times than anybody, living or dead. His record here is six victories, set in just seven years.

He is only 33, and he drives as if he doesn't care how old he gets. But then you could say that about most of them.

He crashed here Thursday morning, which was followed by a near-crash Saturday. The only signs of these were his sore left hand embraced by his right, and the exhaustion around his eyes.

At one time he was sternly against the new driver's aids in Formula One, but now he is ambivalent. He is proof that the driver himself remains valuable, no matter how many millions are poured into the gizmos surrounding him.

"I knew after the accident that I'd lost my edge around here," he said. "The difference between going flat out and just 99 percent is big here."

It was like trying to launch a space shuttle on deadline. Was the car perfect? Of course not. He humped the wall again Saturday, on the way to qualifying No. 3 in the second row, where he was boxed in by the faster Canon Williams cars of Damon Hill and Alain Prost.

"If you don't start in the first row here, it's going to be tough," Senna said. "But I thought really hard throughout the night Saturday before I went to bed. I got up really positive. It was going to be difficult, but ..."

The track at Monaco, where they've run 51 Grands Prix, was designed for skinnier, slower cars, a kind whose pilots never dreamed of not shifting the gears themselves. It curves up and down and around the city like the obstacle course

beyond her. Computers? She says she can't fathom her videotape recorder. But the place is the same, and now her son is following her husband's famous path. When he saw her Thursday he abandoned a conversation with his engineer for a hug from his mother. She said she was proud of him. He said he knew she was.

"It's very difficult to sit back and watch your son do what your husband did," she said. "I'm Mrs. Graham Hill, wife of the world champion, and I'm the mother of Damon, the racing driver, and I don't know which one I'm supposed to be."

The lines blur like the cars themselves within the unforgiving boundaries of this place. The audience surrounds most of the track, so close as to feel as if you are inside of a giant trumpet as a big man's sound is blowing past. Within these pipes Prost, with four Monaco victories behind him, was seeking to equal the legend of Graham Hill, as well as Senna, his living, clawing rival. When Prost faltered, letting go of the race an instant before it began, Senna claimed to have applied that pressure.

The leaders Prost, then Michael Schumacher, disappeared eventually as if they were smoke and

Senna had only to drive through them. Over the last half, Senna was chasing only the ghost. At the end it took the form of a checkered flag, and he drove through that as well.

"What does it mean to me?" Senna asked, after he had poured a victory bottle of Champagne over his own head, for lack of anyone better to spray. "Well, I don't really know. I think ... I don't have the words."

It is almost for somebody else to say. He did not have the fastest car, he was not feeling his best, but that is only prologue to a satisfaction that will come whenever he hears someone else speak of him, as they spoke of Graham Hill and still do, long after he has gone.

"It's a tribute to my father as well as to Ayrton, that it's taken someone of Ayrton's caliber to break the record." The first such words were coming from the runner-up, seated alongside Senna. "And I'm sure if my father was here, he would be the first to congratulate Ayrton on a tremendous record."

The curtain was raised on the winner's exhaustion, and his thin smile burst into sunshine. Mr. Hill shook the hand of Mr. Senna. The record will last forever.

The leaders Prost, then Michael Schumacher, disappeared eventually as if they were smoke and

The curtain was raised on the winner's exhaustion, and his thin smile burst into sunshine. Mr. Hill shook the hand of Mr. Senna. The record will last forever.

NASDAQ NATIONAL MARKET

OTC Consolidated trading for week ended Friday, May 21.

Table with columns for stock symbols, prices, and changes. Includes sub-sections for Network, OTC, and various market indices.

Table with columns for stock symbols, prices, and changes. Includes sub-sections for R, S, and various market indices.

Table with columns for stock symbols, prices, and changes. Includes sub-sections for T, U, and various market indices.

Table with columns for stock symbols, prices, and changes. Includes sub-sections for V, W, X, Y, Z, and various market indices.

# MONDAY SPORTS TENNIS

## French Open Lineup: The Ins and the Outs

By Nick Stout  
International Herald Tribune

PARIS — Even if the body computer no longer figures Jim Courier to be the best bet in tennis, the smart money in Paris this week will be on the 22-year-old Floridan to win a third consecutive French Open title.

Courier may have surrendered his No. 1 ranking to Pete Sampras a few weeks ago after some lackadaisical openings in Asia and elsewhere, but he remains the most credible contender on clay — a slow surface that requires a unique blend of strategy and endurance and that still makes Sampras squirm.

So it may be with some injustice that the authorities who run this annual French extravaganza have seeded the defending champion No. 2 in deference to a computer that neither knows nor cares what the red clay at Roland Garros Stadium is all about.

But Courier was in good spirits over the weekend, charming some members at the nearby Paris Country Club with a courteous discourse in which he put his French vocabulary to work. Andre Agassi and John McEnroe also were participating in this promotional exhibition, and on Saturday these three Americans perched themselves atop stools on the court and gave a public press conference in which they more or less interviewed each other.

"Thank goodness you're sitting out this year," Courier told his compatriots. "It makes me sleep better."

Agassi, probably losing sleep himself over the prospect of perhaps missing a chance to defend his Wimbledon title next month, withdrew from the French Open to nurture a wrist gone wrong with tennisitis. ("I don't allow me to hit firehands," he explained.)

McEnroe, coming to grips with his 34 years, decided he could accomplish more by Paris by commenting for television than by challenging Courier and the others on the court. (Quoting the basketball figure Connie Hawkins, McEnroe humbly summed up his own situation: "The older I got, the better I used to be.")

So Courier, savoring his recent triumph in Rome, was all smiles as he contemplated the French Open, which begins Monday. When

"Thank goodness you're sitting out this year," Courier told his compatriots, Andre Agassi and John McEnroe. "It makes me sleep better."

asked about potential troublemakers he said, "Medvedev is the one to watch. He's a real contender. Andre Medvedev, an 18-year-old Ukrainian who is seeded 11th, has drawn some attention this season by virtue of his championships in Portugal and Spain. Whether he can endure Roland Garros is another matter.

History is against him. Each spring seems to produce its own hoy wonder, but the sensation is usually short-lived. In recent years, Carlos Costa, Alberto Mancini, Juan Aguilera, to name a few, all came to Paris flitting with fantasy, but all left town with a wiser view of the world.

One veteran wise to the rigors of Roland Garros is making a serious investment this year in hopes of a final hurrah. Ivan Lendl, 33, left his Connecticut hometown in March for

an honest go at the European circuit and has not returned to American soil since. After no fewer than seven clay-court tournaments, the three-time French champion declares himself to be more proficient at his craft now than at any time in the last five years.

He won a title in Munich and was runner-up in Nice, but at the Foro Italico he lost his first match — to Marcello Filippini, a Uruguayan he should have beaten! Last week, any visitor to Roland Garros Stadium might have heard Lendl complaining loudly to his coach, Tony Roche, "I'm serving like a (bleep) woman."

One presumes there was no intent on Lendl's part of disrespect for the capabilities of the opposite sex. (He is, after all, the father of three young daughters.)

Practicing just as diligently on an adjacent court, Steffi Graf was making equally self-deprecating remarks. (Fluency in German was not required to be cognizant of their meaning.) With Monica Seles recuperating in Colorado from her knife wound and therefore out of the picture, Graf is positioned to regain the No. 1 ranking that she had not been able to wrestle from Seles. This was the stated intention of the man who stabbed Seles in Hamburg.

Graf, who was one of the first to visit Seles in the hospital after the attack, was quoted as saying last week: "She'll definitely be missed. Because of who she is and the way she plays, we wanted her to be there."

Whatever her sympathies, Graf now has her best opportunity in five years to win the fourth French title. As the year unfolds, she is expected to play the final on June 5 against Arantxa Sanchez Vicario, the Spaniard who beat Graf for the French championship in 1989.

The two have developed a real rivalry this spring; Sanchez Vicario holds a 3-2 edge for the year, and last beat Graf for the Hamburg championship earlier this month.

The victorious woman here will earn an even 2.7 million francs (\$500,000), which is exactly 220,000 francs less than the male champion will pocket. (The men play best of five sets, but the women best of three, or so the argument goes.)

Sampras comes to Paris with the best record of the year. He is seeded at the top of the draw, but he was no match for Goran Ivanisevic on Roman clay and he has a lackluster record here.

Over the weekend, the long-limbed American was the subject of some perplexing humor by his fellow countrymen. It was not clear whether Agassi was making an awkward attempt at an inside joke or a deliberate effort to ridicule when he told a courtful of spectators, "Nobody should be ranked No. 1 who looks like he just swung out of a tree."

In any event, Sampras will not be lamenting Agassi's absence from Roland Garros. It was Agassi who dumped Sampras last year in a one-sided quarterfinal contest. But the French public will surely miss the colorful Las Vegas, who gave them memorable championship matches in 1990 and 1991 — even if he did not emerge as victor. For their part, the organizers take these things philosophically.

"I think that injuries and problems are part of the game," said Patrice Clerc, the tournament director. "Roland Garros is considered by all the players as the most physically difficult tournament. A top player who's contending for the title, if he's not 100 percent fit, has no business being here."



**Bowe Takes Out Challenger With a Quick One-Two**  
Riddick Bowe knocked out Jesse Ferguson 17 seconds into the second round to retain his IBF and WBA heavyweight boxing titles in Washington. Ferguson was floored at the end of the first round as well after Bowe landed 65 of 94 punches. When he tottered out for the second round, Ferguson was met by a six-punch barrage that dropped him face-down for the count. Bowe is now 34-0.

### SCOREBOARD

#### Major League Standings

Team	W	L	Pct.	GB
American League				
East Division				
Detroit	24	19	.558	0
New York	23	20	.533	1 1/2
Toronto	22	21	.512	2 1/2
Boston	22	20	.524	2 1/2
Milwaukee	17	25	.402	7 1/2
Baltimore	16	24	.400	8
Cleveland	17	23	.426	8
West Division				
Chicago	22	19	.537	0
Texas	22	18	.550	1 1/2
California	21	19	.524	1 1/2
Kansas City	20	20	.500	2
Seattle	16	24	.400	6 1/2
Dallas	17	22	.435	5 1/2
Minnesota	16	23	.412	6 1/2
National League				
East Division				
Philadelphia	26	12	.683	0
Washington	24	18	.571	1 1/2
Chicago	23	19	.545	1 1/2
St. Louis	23	20	.532	1 1/2
Pittsburgh	20	23	.465	4 1/2
Florida	18	24	.430	5 1/2
New York	14	26	.345	12 1/2
West Division				
San Francisco	25	15	.625	0
Atlanta	22	19	.537	1 1/2
Houston	21	19	.524	1 1/2
Cincinnati	19	21	.476	2 1/2
Los Angeles	19	22	.463	2 1/2
San Diego	18	23	.435	3
Colorado	12	31	.279	10 1/2

#### Friday's Line Scores

Team	Score
American League	
Minnesota	8-1
Toronto	10-1
Detroit	10-1
Cincinnati	10-1
Cleveland	10-1
Philadelphia	10-1
Washington	10-1
Chicago	10-1
St. Louis	10-1
Pittsburgh	10-1
Florida	10-1
New York	10-1
National League	
Philadelphia	10-1
Washington	10-1
Chicago	10-1
St. Louis	10-1
Pittsburgh	10-1
Florida	10-1
New York	10-1

### SCOREBOARD

#### Major League Standings

Team	W	L	Pct.	GB
American League				
East Division				
Detroit	24	19	.558	0
New York	23	20	.533	1 1/2
Toronto	22	21	.512	2 1/2
Boston	22	20	.524	2 1/2
Milwaukee	17	25	.402	7 1/2
Baltimore	16	24	.400	8
Cleveland	17	23	.426	8
West Division				
Chicago	22	19	.537	0
Texas	22	18	.550	1 1/2
California	21	19	.524	1 1/2
Kansas City	20	20	.500	2
Seattle	16	24	.400	6 1/2
Dallas	17	22	.435	5 1/2
Minnesota	16	23	.412	6 1/2
National League				
East Division				
Philadelphia	26	12	.683	0
Washington	24	18	.571	1 1/2
Chicago	23	19	.545	1 1/2
St. Louis	23	20	.532	1 1/2
Pittsburgh	20	23	.465	4 1/2
Florida	18	24	.430	5 1/2
New York	14	26	.345	12 1/2
West Division				
San Francisco	25	15	.625	0
Atlanta	22	19	.537	1 1/2
Houston	21	19	.524	1 1/2
Cincinnati	19	21	.476	2 1/2
Los Angeles	19	22	.463	2 1/2
San Diego	18	23	.435	3
Colorado	12	31	.279	10 1/2

#### Friday's Line Scores

Team	Score
American League	
Minnesota	8-1
Toronto	10-1
Detroit	10-1
Cincinnati	10-1
Cleveland	10-1
Philadelphia	10-1
Washington	10-1
Chicago	10-1
St. Louis	10-1
Pittsburgh	10-1
Florida	10-1
New York	10-1
National League	
Philadelphia	10-1
Washington	10-1
Chicago	10-1
St. Louis	10-1
Pittsburgh	10-1
Florida	10-1
New York	10-1

### SCOREBOARD

#### Major League Standings

Team	W	L	Pct.	GB
American League				
East Division				
Detroit	24	19	.558	0
New York	23	20	.533	1 1/2
Toronto	22	21	.512	2 1/2
Boston	22	20	.524	2 1/2
Milwaukee	17	25	.402	7 1/2
Baltimore	16	24	.400	8
Cleveland	17	23	.426	8
West Division				
Chicago	22	19	.537	0
Texas	22	18	.550	1 1/2
California	21	19	.524	1 1/2
Kansas City	20	20	.500	2
Seattle	16	24	.400	6 1/2
Dallas	17	22	.435	5 1/2
Minnesota	16	23	.412	6 1/2
National League				
East Division				
Philadelphia	26	12	.683	0
Washington	24	18	.571	1 1/2
Chicago	23	19	.545	1 1/2
St. Louis	23	20	.532	1 1/2
Pittsburgh	20	23	.465	4 1/2
Florida	18	24	.430	5 1/2
New York	14	26	.345	12 1/2
West Division				
San Francisco	25	15	.625	0
Atlanta	22	19	.537	1 1/2
Houston	21	19	.524	1 1/2
Cincinnati	19	21	.476	2 1/2
Los Angeles	19	22	.463	2 1/2
San Diego	18	23	.435	3
Colorado	12	31	.279	10 1/2

#### Friday's Line Scores

Team	Score
American League	
Minnesota	8-1
Toronto	10-1
Detroit	10-1
Cincinnati	10-1
Cleveland	10-1
Philadelphia	10-1
Washington	10-1
Chicago	10-1
St. Louis	10-1
Pittsburgh	10-1
Florida	10-1
New York	10-1
National League	
Philadelphia	10-1
Washington	10-1
Chicago	10-1
St. Louis	10-1
Pittsburgh	10-1
Florida	10-1
New York	10-1

### SCOREBOARD

#### Major League Standings

Team	W	L	Pct.	GB
American League				
East Division				
Detroit	24	19	.558	0
New York	23	20	.533	1 1/2
Toronto	22	21	.512	2 1/2
Boston	22	20	.524	2 1/2
Milwaukee	17	25	.402	7 1/2
Baltimore	16	24	.400	8
Cleveland	17	23	.426	8
West Division				
Chicago	22	19	.537	0
Texas	22	18	.550	1 1/2
California	21	19	.524	1 1/2
Kansas City	20	20	.500	2
Seattle	16	24	.400	6 1/2
Dallas	17	22	.435	5 1/2
Minnesota	16	23	.412	6 1/2
National League				
East Division				
Philadelphia	26	12	.683	0
Washington	24	18	.571	1 1/2
Chicago	23	19	.545	1 1/2
St. Louis	23	20	.532	1 1/2
Pittsburgh	20	23	.465	4 1/2
Florida	18	24	.430	5 1/2
New York	14	26	.345	12 1/2
West Division				
San Francisco	25	15	.625	0
Atlanta	22	19	.537	1 1/2
Houston	21	19	.524	1 1/2
Cincinnati	19	21	.476	2 1/2
Los Angeles	19	22	.463	2 1/2
San Diego	18	23	.435	3
Colorado	12	31	.279	10 1/2

#### Friday's Line Scores

Team	Score
American League	
Minnesota	8-1
Toronto	10-1
Detroit	10-1
Cincinnati	10-1
Cleveland	10-1
Philadelphia	10-1
Washington	10-1
Chicago	10-1
St. Louis	10-1
Pittsburgh	10-1
Florida	10-1
New York	10-1
National League	
Philadelphia	10-1
Washington	10-1
Chicago	10-1
St. Louis	10-1
Pittsburgh	10-1
Florida	10-1
New York	10-1

### SCOREBOARD

#### Major League Standings

Team	W	L	Pct.	GB
American League				
East Division				
Detroit	24	19	.558	0
New York	23	20	.533	1 1/2
Toronto	22	21	.512	2 1/2
Boston	22	20	.524	2 1/2
Milwaukee	17	25	.402	7 1/2
Baltimore	16	24	.400	8
Cleveland	17	23	.426	8
West Division				
Chicago	22	19	.537	0
Texas	22	18	.550	1 1/2
California	21	19	.524	1 1/2
Kansas City	20	20	.500	2
Seattle	16	24	.400	6 1/2
Dallas	17	22	.435	5 1/2
Minnesota	16	23	.412	6 1/2
National League				
East Division				
Philadelphia	26	12	.683	0
Washington	24	18	.571	1 1/2
Chicago	23	19	.545	1 1/2
St. Louis	23	20	.532	1 1/2
Pittsburgh	20	23	.465	4 1/2
Florida	18	24	.430	5 1/2
New York	14	26	.345	12 1/2
West Division				
San Francisco	25	15	.625	0
Atlanta	22	19	.537	1 1/2
Houston	21	19	.524	1 1/2
Cincinnati	19	21	.476	2 1/2
Los Angeles	19	22	.463	2 1/2
San Diego	18	23	.435	3
Colorado	12	31	.279	10 1/2

#### Friday's Line Scores

Team	Score
American League	
Minnesota	8-1
Toronto	10-1
Detroit	10-1
Cincinnati	10-1
Cleveland	10-1
Philadelphia	10-1
Washington	10-1
Chicago	10-1
St. Louis	10-1
Pittsburgh	10-1
Florida	10-1
New York	10-1
National League	
Philadelphia	10-1
Washington	10-1
Chicago	10-1
St. Louis	10-1
Pittsburgh	10-1
Florida	10-1
New York	10-1

### SCOREBOARD

#### Major League Standings

Team	W	L	Pct.	GB
American League				
East Division				
Detroit	24	19	.558	0
New York	23	20	.533	1 1/2
Toronto	22	21	.512	2 1/2
Boston	22	2		

MONDAY SPORTS BASEBALL

Sonics Rally Past Rockets To Gain Conference Final

SEATTLE — The Seattle Super-Sonics proved that there was no way for a road team to win this National Basketball Association Western Conference series. But it wasn't easy. The Sonics, trailing through most of the first three quarters...



The Sonics' Ricky Pierce found a way past the Rockets' Hakeem Olajuwon, left, and Robert Horry.

Cards Survive Scare to Stop Pirates in 10th

Lee Smith blew a ninth-inning lead for the second time in three days, but the St. Louis Cardinals rallied twice in the final two innings to beat the Pirates, 4-3, on Rod Brewer's sacrifice fly in the 10th in Pittsburgh on Sunday.

For Kukoc, the Ball Is in the Bulls' Court

MONTE CARLO — If he doesn't like what he hears when he meets with the Chicago Bulls this week, Toni Kukoc's agent warned on Sunday, then Europe's best player will remain in Italy with Benetton Trefiso for two more years.

Little Leaguer Is Killed Over A Racial Shur

CASTRO VALLEY, California — It was a close baseball game, after which the boys shook hands. But there was still a score to be settled, and before the players could leave the field, the season's first Little League game here ended with a teenager becoming the first homicide victim in the international organization's 54-year history.

Tettleton's Home Run in 6th Puts Tigers Over the Indians

Mickey Tettleton hit a tiebreaking home run over the glove of leaping center fielder Kenay Lofton in the sixth inning, and the surging Detroit Tigers went on to stop the Indians, 4-2, in Cleveland on Sunday.

SIDELINES

U.S. Wins World Team Tennis Cup — The United States, led by Pete Sampras and Michael Chang, captured a record fourth title at the World Team Cup on Sunday by blanking Germany, 3-0. Sampras swept past Michael Stich, 6-4, 6-2, in 71 minutes, while Chang struggled to beat Carl-Uwe Steeb, 6-3, 7-6 (7-5) in two hours.

2 World Records Changed by IAAF

STUTTGART (Reuters) — The International Amateur Athletic Federation has changed two world records set by the Russian sprinter Irina Privalova and the Algerian middle-distance runner Noureddine Morceli because of problems with photo-finish equipment.

New Zealander Wins Italian Golf

MODENA, Italy (Reuters) — Greg Turner of New Zealand won the Italian Open golf tournament on Sunday, salvaging par on the final hole after he had conceded a penalty stroke.

Marseille Faces Game-Fixing Charge

PARIS (Reuters) — An inquiry is to be conducted into an allegation that Olympique Marseille, the defending French soccer champion, attempted to fix a match last week against Valenciennes, the French league said.

For the Record

Jean-Philippe Gatien of France won the world table tennis men's crown for the first time on Sunday, overcoming Jesper Mykelti of Belgium, 4-1, in a final that was a 2-1 set victory over Goodnight Kiss and the British Billy Niece recorded an easy victory over Goodnight Kiss and the Danish Royale in the Irish 1,000 Guinness on Saturday in Dublin.

Advertisement for TAG Heuer watches featuring a close-up of a watch face and the slogan 'DON'T CRACK UNDER PRESSURE'. Includes text: 'OFFICIAL TIMEKEEPER OF THE FORMULA 1 WORLD CHAMPIONSHIP' and 'TAG HEUER SWISS MADE SINCE 1860'.

# Robert Evans, at 62, Is the Comeback Kid

By Bernard Weinraub  
New York Times Service

HOLLYWOOD, California — Few men in Hollywood have ascended so rapidly as Robert Evans, or fallen so precipitously.

"The higher you are, the lower you fall." Evans said in an interview at his home in Beverly Hills. "I had 10 years of a horrific life. Kafkaesque. There were nights I cried myself to sleep. I was in a fetal position. I gave up."

Evans turns 63 next month. Drugs, financial and personal difficulties, and a life on the edge not only aged him and shattered him physically and emotionally, but also eroded his confidence.

But if younger executives viewed him as something like Norma Desmond, the faded, pathetic character played by Gloria Swanson in "Sunset Boulevard," the producer has surprised them all.

In a comeback worthy of a Hollywood novel, he is returning with a flashy, big-budget picture, "Sliver." Suddenly, he has a plate of high-profile projects at Paramount Studios.

The film, starring Sharon Stone, William Baldwin and Tom Berenger, is based on an Ira Levin mystery novel about voyeurism, sex and violence in a New York apartment house. "Sliver" already has garnered more than its share of publicity, most of it negative.

There were reports of a feud between Stone and Baldwin on the set. The ending was changed after the movie met with a mixed reception in test screenings. Evans and Paramount were mired in disputes with the Motion Picture Association of America about the movie's steamy television advertising in a last-minute controversy that no doubt helps the studio exploit interest in the movie, adding to the belief that Paramount is banking on provocative, sexual advertising, and not reviews, to sell "Sliver."

Evans said 40 or 50 changes have been made in the film to keep it from being rated NC-17, which is box-office poison because it bars anyone under age 17. Whether or not the film is effective, Evans said he is proud of it, perhaps less because of the film itself than because it represents such a highly visible comeback in a town that can be unrelenting and unforgiving about crumpled careers and failure.

Evans was once called the boy-king of Hollywood. He was born in New York with the name Robert J. Shapera, the son of a Manhattan dentist.

His dark good looks and deep voice led to his discovery here in the old-fashioned way. A partner in the Evan-Picone clothing company, he was spotted by the actress



Evans, poolside: Norma Shearer discovered him at a Hollywood pool in 1956.

Norma Shearer at the Beverly Hills Hotel pool in 1956.

Miss Shearer decided that Evans was the man to play her husband, Irving Thalberg, the famed producer, in the film "Man of a Thousand Faces." He was later given the role of the bullfighter in "The Sun Also Rises."

When cast members and Ernest Hemingway strongly objected, Darryl F. Zanuck, then chief of 20th Century Fox, responded curtly: "The kid stays in the picture."

"When Zanuck said that, I wanted to be him, not me," Evans recalled. "I wanted to be the guy who makes the decisions, not the guy who has the decisions made for him."

In short order, Evans became a successful producer and studio executive. As the head of worldwide production for Paramount from 1966 to 1975, he turned the studio into one of the most successful and prestigious producers with movies including "Love Story," "Rosemary's Baby," "The Godfather," and "True Grit." He personally produced "Chinatown" and "Black Sunday," as well as disappointments like "Poppy" and "Flowers." Then, in 1984, came "The Cotton Club," a major disaster that ruined his finances and severed his relations with his onetime friend, the director Francis Ford Coppola.

His personal fortunes slid downward, too. He has been married four times, notably to Ali MacGraw, and most recently to Phyllis George. "She was Miss America. I wasn't Mr. America," he said. A serious back problem, and the easy availability of cocaine, led to the drug's consuming his life in the late 1970s. In 1980, Evans, along with his brother, Charles, and his brother-in-law, Michael Shure, pleaded guilty to charges of cocaine possession.

"The drugs really didn't help my back, but they gave me this false energy," he said. "I was working 18-hour days. It was addictive. I stopped for a while, but then the back pain came back because of all the tension."

His reputation was further eroded, and his personal problems deepened, when a former girlfriend was arrested in the 1983 murder of a "Cotton Club" producer, Roy Radin.

The tale of cocaine, sex and greed was sordid, even by Hollywood standards. Evans was not charged, and the woman, Karen Greenberger, testified that he had nothing to do with it. But his reputation was virtually ruined, and he was despondent.

"My son, Josh, couldn't get a date at his high school graduation prom because I was his father," Evans said. "Do you know how low I felt?"

The lowest point in his life, he said, was May 21, 1989, four years to the day before "Sliver" is to open.

He was off cocaine by that time, he said. But, he added: "I was terrified that I was going to the 100 Numbat next to my bed. I had no money and no future, and on that day I checked myself into the Scripps Memorial Hospital in San Diego to prevent myself from committing suicide because I was so depressed." He left the next day.

Today, Evans is living in the 16-room estate in Beverly Hills that he bought in better times, and then lost. He's back in it now largely through the generosity of Jack Nicholson, a friend who stuck by him.

Evans started outside the darkened den, to the glistering swimming pool. "People in their 60s are usually put out to pasture and don't come back in Hollywood, or for that matter anywhere else," he said, sipping fresh orange juice served by a British butler. "It doesn't happen in life. It doesn't happen in Hollywood. It doesn't happen at General Motors. But if I could do it, anyone can."

# Crunchy Granola and Stud Muffins

By William Safire

WASHINGTON — Muffin is an affectionate name for a young woman — "Not now, muffin" — usually taken as a put-down by the daughters of what a previous generation called cookies. In a vengeance expressed in campus slang, we now have stud muffin, which means "attractive young man." (The stud is rooted in the term for a male horse selected for breeding.) A stud muffin who works out, I am informed by Charles D. Poe of Houston, can transform himself into a diesel.

Welcome to this year's world of fresh campus slang, drawing on responses to an invitation in this space that went, "If your prof is profic, don't feel schwaig; send your local lexicon to Safire's Buzz-Kill." Part of the teaser was a definition of hookup as "a person with whom one is romantically involved."

From Cornell University comes this refreshing dash of cold water: "Reading your article felt as if I were listening to a tone-deaf person sing," writes Anna Day. "Hookup does not stand for romantic involvement. It is used primarily as a verb, and to hook up is to 'get some' or 'make out.' Previous hookups can be a major source of embarrassment, since the word implies a certain amount of spontaneity and a casualness one may not wish to admit to the next morning."

That's how we learn: I had thought it was mere friending. "Being crunchy is the same as being granola," Day, a sophomore, goes on. "It's out-of-control (or a.o.c.) p.a., the type that support hunchback [sic] whines and don't shave their body hair. It's definitely pejorative and comes from the habit of the granola people of eating trail mix in otherwise civilized surroundings."

We're going too fast. Granola is an Americanism from the 1970s for a breakfast-food mixture of rolled oats, sesame seeds, wheat germ, nuts, dried fruit, brown sugar and, in some post-bellum cases, sawdust sweepings and whatever else was lying around the kitchen floor. When chewed, it crunches; when chewed by vegetarians, it does not angry up the blood. Webster's word, originally a trademark, was built from the Latin granum, "grain," plus the Italian diminutive suffix -ola.

Out of control is psychological jargon, the reverse of the 1920s phrase under control, and is the title of Zbigniew Brzezinski's latest book on global turmoil (Zbig always uses the latest teen-age slang). The letters p.c., which used to stand for "personal computer," now of course initialize "politically correct," rooted in Maoist thinking. Headline writers swapped for space will welcome a.o.c.p.c. to describe such phrases as temporarily impaired for "late."

Now to buzz-kill. Let us not confuse this with the buzz, meaning "the talk going around"; that onomatopoeic sense, which imitated the sound of a bee, started out meaning "confused and mingled sound," and gained a gossip sense in Shakespeare's "King Lear": "On ev'ry dream, / Each buzz, each fable; it was picked up by William Cobbett, the English politician and vineyarder, who wrote in his 1825 "Rural Rides" that "a sort of buzz got about." Now it is the title of a page in Variety that sweeps together the latest show-biz chatter, and the first part of buzzword, a new term for "jargon" or "vogue word."

The other buzz is rooted in the sound some people think they hear in their head when slightly looped or

mildly stoned — short of smashed by booze or zanked on drugs at a rage, or party. "A buzz-kill is something that kills a buzz." Day notes, "such as having cops break up a party or losing a fake ID. It's generally said to empathize with someone. 'What a buzz-kill, you be an appropriate interjection when a friend is telling you about some sobering misfortune.' (The term may be related to the earlier kill-joy.)"

From Berkeley, California, comes this contribution from John J. Reilly, a recent Stanford graduate: "Retar, an intensification of the locution sweeter, which is most common in surfing culture, describing the esthetic perfection of a subject, usually waves or tubes." (A sweeter spot on a baseball bat is where the batter hopes it will meet the ball.)

From Dartmouth, these words from Richard Dugman: "scam, n., a lower, blit, n., a message sent via electronic mail; random, adj., strange or weird."

From David Sklar of Wyannewood, Pennsylvania, a high-school student: "scud, n., 'money,' and blanz, v. (not the noun blanz, which means "a cigar laced with marijuana"); the verb denotes "to perform tasks that are druggery," as in "The reason I put up with blanzing at McD's is for the scud."

From Jack Chambers, a professor of linguistics at the University of Toronto, who regularly surveys his students for his "Slang Bag" compilation: "To be a friend of Dorothy, to be homosexual," from the character played by Judy Garland in "The Wizard of Oz," now a gay cult film. (This term has been used in England for several years.)

Level, "acceptable, approved." A substitute for cool, which used to mean "excellent," often expressed as simply ex. Gloria Peters, class of '93, finds a newer sense for cool: "I hear you and will take appropriate action." Her citation: On the television show "Roseanne," the leading lady and her husband renew their vows. Instead of answering, "I will," Roseanne responds, "Cool."

Moneytalker, a vivid word picture for "automatic teller machine," unlikely to be taken up in banking advertising.

Professor Chambers adds a nice touch with quotation from Walt Whitman: "An attempt of common humanity to escape from bald literalism, and express itself illimitably."

But some linguists are protective about their subject. "I hate to see teenage argot forcibly injected into mainstream language," observes Day. "As soon as it settles into a patois to be translated, you may be sure that the code will change. What is left is wannabe faddish word parroters, multi-crisis people wandering about mumbling, 'Totally rad.' (Totally is dated. Very dated.) Get a clue, as we say up here."

Get a clue is an offshoot of Get a life!, the conservative imperative exhaustively discussed in last week's language column. Both phrases were preceded by the turn-of-the-century about Get a horse!, which is associated with stud and led finally to stud muffin.

New York Times Service  
INTERNATIONAL CLASSIFIED  
Appears on Page 4

# WEATHER

Forecast for Tuesday through Thursday

**North America**  
Washington, D.C., through Boston will be warm with a shower Tuesday, then dry and gradually cooler at midweek. It will be refreshing in Detroit and Chicago. A shower of ice will pass through Toronto and Montreal, Los Angeles will be dry, but rain late May showers may wet San Francisco.

**Europe**  
Showers and scattered thunderstorms will lead to areas of heavy rain from middle Europe to England Tuesday, and perhaps in Belgium, Netherlands and Germany at midweek. Passing 2° zones will do Spain. Italy will be warm and sunny. Warm weather will cool across the Alps into Germany Tuesday.

**Asia**  
Tropical downpours will drench Hong Kong at times through midweek. A thunderstorm may briefly cool Bangkok and Singapore. Shanghai will be warm with a thunderstorm Tuesday, then cooler in Japan and Korea. It may show a few limes Tuesday and Wednesday. Beijing will be dry.

**Middle East**  
Today: High 75, Low 55, Wind W 10-15, Clouds Partly cloudy. Tomorrow: High 75, Low 55, Wind W 10-15, Clouds Partly cloudy.

**Latin America**  
Today: High 85, Low 65, Wind W 10-15, Clouds Partly cloudy. Tomorrow: High 85, Low 65, Wind W 10-15, Clouds Partly cloudy.

**Oceania**  
Auckland: High 17, Low 12, Wind W 10-15, Clouds Partly cloudy. Sydney: High 21, Low 16, Wind W 10-15, Clouds Partly cloudy.

Legend: a-sunny, p-partly cloudy, c-cloudy, sh-showers, 1-thunderstorms, r-rain, a-snow flurries, an-snow, H-High, W-Wind, All maps, forecasts and data provided by Accu-Weather, Inc. © 1993

# CROSSWORD

© New York Times, edited by Eugene Malachuk

**ACROSS**

- Masted vessel
- High or low follower
- Bridge call
- Chutzpah
- Castor's mother
- Repeat
- 60 Across, hostile statement
- Walden is one
- Pitcher
- Tea cake
- Insect
- Scuffed
- Pergolesi's forte
- Sports mite
- Leir
- Rainie birds
- Puglet Sound city
- Get off at La Guardia
- Quarrel member
- Ripen
- Crème de la crème
- Buffo, at times
- Octocorn
- Archipelago
- Happen
- Song for Cecilia Bartoli
- Swag
- See 17 Across
- Color
- Regarding
- Falsa wing
- Change of five
- Active person
- Device amplifying electromagnetic waves
- Conflict
- Shilling parts
- Man in a cast
- Glob
- Octocorn
- Fair Comb. form
- Take advantage of
- "Flee, feinet"
- Newscaster
- Paulley
- Faded's home
- City on the Oka
- Gist
- Penetrating preposition?
- Parisienne's magazine
- Chief
- the pure, all ...
- Prophet
- Spike the punch
- Self, to Freud
- "Piccolo"
- Arabian chief's office
- Albanian serpent
- "Metamorphoses" poet
- Jail, for short
- Enlargement
- Showed love and honor to
- Baltic feeder
- Prickly Comb. form
- Play division
- Claspman
- Period
- Too
- Lee, Valentino co-star
- Burden
- Eye with a sign
- Terrible, e.g.
- Children's game
- American's uncle

**DOWN**

- Cut
- Apollo's mother
- Algerian serpent
- Metamorphoses' poet
- Jail, for short
- Enlargement
- Showed love and honor to
- Baltic feeder
- Conflict
- Shilling parts
- Man in a cast
- Glob
- Octocorn
- Fair Comb. form
- Take advantage of
- "Flee, feinet"
- Newscaster
- Paulley
- Faded's home
- City on the Oka
- Gist
- Penetrating preposition?
- Parisienne's magazine
- Chief
- the pure, all ...
- Prophet
- Spike the punch
- Self, to Freud
- "Piccolo"
- Arabian chief's office
- Albanian serpent
- "Metamorphoses" poet
- Jail, for short
- Enlargement
- Showed love and honor to
- Baltic feeder
- Prickly Comb. form
- Play division
- Claspman
- Period
- Too
- Lee, Valentino co-star
- Burden
- Eye with a sign
- Terrible, e.g.
- Children's game
- American's uncle

**Solution to Puzzle of May 21**

BATHS SPEAR RIAW  
BLEAK HENCE ABA  
AMERICAN SCUP BOG  
SANGLED ASIDE  
ENOS OBITIES  
ORANGE LEARY  
ALL SENSELESS  
STARS AND STRIPES  
PARENTAGE EWE  
TOTIE ACCESS  
RENEWAL PLEA  
ABIGAIL SAILLOFT  
BOCAUS ALLITAIT  
LAIN NARES OCHER  
OYIE KRONE SOUSE

# BOOKS

## SOUTH OF HAUNTED DREAMS: A Ride Through Slavery's Back Yard

By Eddy L. Harris. 254 pages. \$19. Simon & Schuster.

Reviewed by Walter Mosley  
A FEW years ago Eddy L. Harris wrote a book called "Native Stranger." It was a controversial account of an African journey in the company of common folk from Algeria to South Africa. It was a book about place and people and poverty, a tough look, by a black man, at African life. Some reviewers called it Africa-bashing, but I felt it was a book about the Mother Root that black Americans have been severed from. It was a book about poverty and pain that

helped me to understand the weight of modernity on the culture that seethes in my unconscious. Harris's new work seeks to explore territory closer to home — the American South. For this journey, Harris got on his motorcycle and set out from Kentucky on a journey through the Carolinas, Kentucky, Virginia, Georgia and Mississippi. He wanted to discover two things. One was the Deep South itself, a land whose history festered in Harris's mind and in the pit of his soul. To Harris the South meant everything negative and limiting in his racial experience. It was a land that had humbled and humiliated his father, his father's father, his great-grandfather, and on and on back to the first of his line to live in America. It was a land where his people had been enslaved, lynched and segregated. It was a land in-

habited by men and women who never apologized for or even recognized their crimes. Harris was also seeking his own identity in the political, racial and social make-up of the land that produced him. Here, too, he was a native stranger, traversing a land that had thrown him off, almost as an afterthought, and then forgotten that he existed. From the beginning, "South of Haunted Dreams" is more historical and psychological than geographical and sociological, as concerned with Harris's personal history as it is with the history of the land through which he journeys. Appropriately, Harris is not a Southerner or a Northerner — he's from St. Louis, somewhere in between. As he recalls his upbringing, we meet a young man who has experienced many of the privileges

of the middle class; a boy who stood side by side with white children not feeling, for the most part, inferior or even different. Obviously intelligent, perhaps even envied for his "superior qualities," Harris felt that the only difference between him and his white schoolmates was a degree of wealth. Yet this same man, at the outset of his adventure, readily admits to hating his great-great-grandfather for enduring a life of slavery rather than taking his own life. Harris went out looking for the face and mind of white racism. What he found wasn't what he expected — at least, not exactly. Harris finds his own very real, and contradictory, history on the highways of the American South. His mind is full of stories of lynchings and shootings, of vicious redneck sheriffs and the Ku Klux Klan.

Somewhat, many of the people he meets confound his expectations. If there is tension when he is stopped by police, the reader does not know whether they hate him because he is black or envy his freedom to go where the road takes him. When a white waitress miscalculates the bill (in his favor) he is astonished to find that she did it because he looked hungry and tired. He meets a black woman who

says that it's her own responsibility to get her life together, not the responsibility of white people. He meets a white man who tells him that it's wrong to hate your ancestors.

The world Harris encounters is fraught with racism and hatred. But gradually, Harris, and we, learn that that world isn't the old world of Jim Crow. Blacks and whites meet on the streets, they eat in the same restaurants, go to the same schools, deal with each other in business and socially. Sometimes they seem to get along — as long as nobody thinks about it too much. Strangely, Harris's realizations make us, black and white, somehow more equal. We are no longer fooled by the hype that white acceptance somehow indicates superiority. We're all in this world together. We're all the same — or



WHAT THEY'RE READING

• Rosabeth Moss Kanter, a professor at Harvard Business School and an adviser to President Bill Clinton during his campaign, is reading "The Death of Money" by Joel Kurtzman.

• Economic change is running ahead of political change. Capital is crossing borders and governments don't know what to do about it." (Kenn Cukier, IHT)

# Get your point across in no time.



AUSTRALIA	002-903-011	FRANCE	190-0011	ITALY	172-1011	PORTUGAL	0507-1-288
BAHRAIN	800-501	GERMANY	0130-2020	KENYA	0800-10	Saudi Arabia	1-800-100
BELGIUM	078-11-5000	GHANA	0191	KHMYT	800-228	SPAIN	800-99-99-31
CZECH REP	00-420-2000	HONGKONG	00-300-1911	LUXEMBOURG	0-800-0111	SWEDEN	080-795-011
DEMARK	001-201	HUNGARY	000-300-0111	NETHERLANDS	080-002-0111	SWITZERLAND	080-0011
ENGLAND (Cont)	810-0200	IRELAND	1-800-200-0111	NEWZEALAND	080-1231	TURKEY	900-8001-2271
FINLAND	0000-100-1	ISRAEL	177-100-2727	POLAND	00070-200-0111	UNITED KINGDOM	0800-99-0011
PHILIPPINES	0000-100-1	SPAIN	0000-100-1	RUSSIA	0000-100-1	USA	1-800-4-A-T&T

AT&T USADirect Service. Your Express Connection to AT&T Service. Just dial the access number of the country you're in. For additional access numbers, call collect: 412 553-7458, Ext. 606.



Expect  
Attack  
Enclave.  
Sav

West Bank.  
Jerusalem Road  
Nowhere